

AGENDA

Council

Tuesday 21 July 2020 at 10.30am

Northland Regional Council Agenda

Meeting to be held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 21 July 2020, commencing at 10.30am

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

Item	Page
Housekeeping/Karakia	
1.0 APOLOGIES (NGĀ WHAKAPAHĀ)	
2.0 DECLARATIONS OF CONFLICTS OF INTEREST (NGA WHAKAPUAKANGA)	
3.0 PUBLIC FORUM - PETITION FROM HOKIANGA ENVIRONMENTAL FORUM	6
4.0 HEALTH AND SAFETY REPORT	20
5.0 COUNCIL MINUTES/ACTION SHEET/COUNCIL WORKING PARTY AND WORKING GROUP UPDATES	
5.1 Confirmation of Minutes - 16 June 2020	23
5.2 Receipt of Action Sheet	45
5.3 Working Party Updates and Chairpersons' Briefings	47
6.0 FINANCIAL REPORTS	
6.1 Local Government Funding Agency: Becoming a Guaranteeing Member	49
6.2 \$10M Loan Repayment	57
6.3 Interest Rate for Special Reserves in Surplus	62
7.0 DECISION MAKING MATTERS	
7.1 National Environmental Standards - Air Quality	63
7.2 Northland Regional Pest and Marine Pathway Operational Plan 2020-2021	73
7.3 Northland Inc. Limited: Statement of Intent 2020-2023	100
8.0 OPERATIONAL REPORTS	
8.1 Chair's Report to Council	130
8.2 Chief Executive's Report to Council	132
9.0 RECEIPT OF COMMITTEE MINUTES	157
10.0 BUSINESS WITH THE PUBLIC EXCLUDED	168

10.1 Confirmation of Confidential Minutes - 16 June 2020

10.2 Receipt of Confidential Committee Minutes

10.3 Human Resources Report

<p>ACC - Accident Compensation Corporation</p> <p>ALGIM - Association of Local Government Information Management</p> <p>AMA - Aquaculture Management Area</p> <p>AMP - Asset Management Plan/Activity Management Plan</p> <p>AP - Annual Plan</p> <p>BOI - Bay of Islands</p> <p>BOPRC - Bay of Plenty Regional Council</p> <p>CAPEX - Capital Expenditure (budget to purchase assets)</p> <p>CBEC - Community, Business and Environment Centre</p> <p>CCO - Council Controlled Organisation</p> <p>CCTO - Council Controlled Trading Organisation</p> <p>CDEM - Civil Defence Emergency Management</p> <p>CEEF - Chief Executives Environment Forum</p> <p>CEG - Co-ordinating Executive Group</p> <p>CEO - Chief Executive Officer</p> <p>CIMS - Co-ordinated Incident Management System (emergency management structure)</p> <p>CMA - Coastal Marine Area</p> <p>CPCA - Community Pest Control Areas</p> <p>CRI - Crown Research Institute</p> <p>DHB - District Health Board</p> <p>DOC - Department of Conservation</p> <p>DP - District Plan</p> <p>E350 - Extension 350 programme</p> <p>ECA - Environmental Curriculum Award</p> <p>ECAN - Environment Canterbury</p> <p>EECA - Energy Efficiency Conservation Authority</p> <p>EF - Environment Fund</p> <p>EMA - Employers and Manufacturers Association</p> <p>EOC - Emergency Operations Centre</p> <p>EPA - Environmental Protection Authority</p> <p>ETS - Emissions Trading Scheme</p> <p>FDE - Farm Dairy Effluent</p> <p>FNDC - Far North District Council</p> <p>FNHL - Far North Holdings Limited</p> <p>FPP - First Past the Post</p> <p>GE - Genetic Engineering</p> <p>GIS - Geographic Information System</p> <p>GMO - Genetically Modified Organism</p> <p>HBRC - Hawke's Bay Regional Council</p> <p>HEMP - Hapū Environmental Management Plan</p> <p>Horizons - Brand name of Manawatu-Wanganui Regional Council</p> <p>HR - Human Resources</p> <p>HSNO - Hazardous Substances & New Organisms Act</p> <p>HSWA - Health and Safety at Work Act 2015</p> <p>IEMP - Iwi Environmental Management Plan</p> <p>ILGACE - Iwi and Local Government Chief Executives Forum</p> <p>IPPC - Invited Private Plan Change</p> <p>IRIS - Integrated Regional Information System</p> <p>KDC - Kaipara District Council</p> <p>KPI - Key Performance Indicator</p> <p>LAWA - Land, Air, Water Aotearoa</p> <p>LEA - Local Electoral Act 2001</p> <p>LGA - Local Government Act 2002</p> <p>LGNZ - Local Government New Zealand</p> <p>LGOIMA - Local Government Official Information & Meetings Act 1987</p> <p>LIDAR - Light detection and ranging</p> <p>LTI - Long time injury</p> <p>LTP - Long Term Plan</p> <p>MBIE - Ministry of Business, Innovation & Employment</p> <p>MCDEM - Ministry of Civil Defence & Emergency Management</p> <p>MFE - Ministry for the Environment</p> <p>MFL - Māori Freehold Land</p> <p>MHWS - Mean High Water Springs</p> <p>MMH - Marsden Maritime Holdings Limited</p> <p>MNZ - Maritime New Zealand</p> <p>MOH - Ministry of Health</p>	<p>MOT - Ministry of Transport</p> <p>MPI - Ministry for Primary Industries</p> <p>MSD - Ministry of Social Development</p> <p>NCMC - National Crisis Management Centre</p> <p>NDHB - Northland District Health Board</p> <p>NES - National Environmental Standards</p> <p>NFT - Northland Forward Together</p> <p>NGO - Non-Governmental Organisation</p> <p>NIF - Northland Intersectoral Forum</p> <p>NINC - Northland Inc. Limited</p> <p>NIWA - National Institute of Water and Atmosphere</p> <p>NORTEG - Northland Technical Advisory Group</p> <p>NPS - National Policy Statement</p> <p>NZCPS - New Zealand Coastal Policy Statement</p> <p>NZRC - New Zealand Refining Company (Marsden Point)</p> <p>NZTA - New Zealand Transport Agency</p> <p>NZTE - New Zealand Trade and Enterprise</p> <p>NZWWA - New Zealand Water and Wastes Association</p> <p>OPI - Opportunity for Improvement\</p> <p>OPEX - Operating Expenditures</p> <p>OSH - Occupational Safety & Health</p> <p>OTS - Office of Treaty Settlements</p> <p>PCBU - Person Conducting Business or Undertaking</p> <p>PGF - Provincial Growth Fund</p> <p>PPE - Personal Protective Equipment</p> <p>RAP - Response Action Plan</p> <p>RBI - Regional Broadband Initiative</p> <p>RCP - Regional Coastal Plan</p> <p>RFI - Request for Information</p> <p>RFP - Request for Proposal</p> <p>RLTP - Regional Land Transport Plan</p> <p>RMA - Resource Management Act 1991</p> <p>RMG - Resource Managers Group (Regional Councils)</p> <p>RMZ - Riparian Management Zone</p> <p>ROI - Return on Investment</p> <p>RP - Regional Plan</p> <p>RPMP - Regional Pest Management Plan</p> <p>RPMS - Regional Pest Management Strategy</p> <p>RPS - Regional Policy Statement</p> <p>RPTP - Regional Public Transport Plan</p> <p>RRSAP - Regional Road Safety Action Plan</p> <p>RSG - Regional Sector Group</p> <p>RSHL - Regional Software Holdings Ltd</p> <p>RTC - Regional Transport Committee</p> <p>RTO - Regional Tourism Organisation</p> <p>SIPO - Statement of Investment Policy and Objectives</p> <p>SITREP - Situation Report</p> <p>SOE - State of Environment (or) State Owned Enterprise</p> <p>SOI - Statement of Intent</p> <p>SOLGM - Society of Local Government Managers</p> <p>STV - Single Transferable Vote</p> <p>TAG - Technical Advisory Group</p> <p>Tier 1 - Site level plan or response for an oil spill</p> <p>Tier 2 - Regional level plan or response to an oil spill</p> <p>Tier 3 - National level plan or response to an oil spill</p> <p>TLA - Territorial Local Authority - City & District Councils</p> <p>TON - Top of the North (regions)</p> <p>TTMAC - Te Taitokerau Māori and Council Working Party</p> <p>TTNEAP - Tai Tokerau Northland Economic Action Plan</p> <p>TMP - Treasury Management Plan</p> <p>TOR - Terms of Reference</p> <p>TPK - Te Puni Kōkiri (Ministry of Maori Development)</p> <p>TUANZ - Telecommunications Users Association of NZ</p> <p>UNISA - Upper North Island Strategic Alliance</p> <p>WDC - Whangarei District Council</p> <p>WHHIF - Whangarei Harbour Health Improvement Fund</p> <p>WRC - Waikato Regional Council</p> <p>WSMP - Workplace Safety Management Practices</p> <p>WWTP - Wastewater Treatment Plant</p>
---	---

Tauāki ā roto

Tēnei au
Tēnei mātou
He kaikaunihera
He kawenga i ngā whakataunga,
i ngā tikanga
Ki uta, ki tai
Kia rewa ai ngā iwi katoa o Te
Taitokerau

Haumie hui e
TĀIKI E!

Here I am
Here we are
Your councillors
The bearers of sound
decision making power
Reaching inland and coastal
To uplift all peoples of
Northland

Bring forth unity
Tis Done!



TITLE: **Public Forum - Petition from Hokianga Environmental Forum**

ID: A1332672

Executive summary/Whakarāpopototanga

The Hokianga Environmental Forum have requested the **attached** petition be presented to council requesting the Northland Regional Council publicly notify the resource consent application from the Far North District Council regarding the Ōmāpere-Opononi Wastewater Treatment Plant.

Staff have assessed the petition and confirm it meets the requirements of Standing Orders (17.1).

The Hokianga Environmental Forum have been invited to present the petition as part of the public forum with up to two speakers allotted up to 5 minutes each to speak (as per Standing Order 15.1).

Attachments/Ngā tapirihanga

Attachment 1: Hokianga Environmental Forum Petition [↓](#)

Authorised by Group Manager

Name: Chris Taylor

Title: Governance Support Manager

Date: 26 June 2020

**Petition for the Public Notification of the Resource Consent Application
for Omapere-Opononi Sewage Treatment.**

To: Northland Regional Council
CC: Far North District Council
From: Hokianga Environmental Forum.

06.06.2020

Tēnā koutou,

We, the undersigned, call for the Northland Regional Council to publicly notify the resource consent application from the Far North District Council regarding the Omapere-Opononi Wastewater Treatment Plant.

Public notification will allow everyone with an interest in the health of the Hokianga Harbour to make a submission.

We confirm that the resource consent renewal is an issue of high public interest, and that each signatory considers themselves to be an affected person in this application.

We also state that special circumstances exist as we are unanimously opposed to discharge of any wastewater into the Hokianga Harbour or waterways.

Nāku iti noa,
nā Jessie McVeagh
Hokianga Environmental Forum
jessiemcveagh72@gmail.com

Comments

Name	Location	Date	Comment
Jessie McVeagh	Rawene, New Zealand	2020-04-02	"Human waste should not go into water, there are land-based options available."
Julia Parker	Kaikohe, New Zealand	2020-04-02	"I live in Rawene and the world and this abuse of the environment just cannot go on."
Kat Fong	Opononi, New Zealand	2020-04-02	"I fish in the Harbour & do not want waste put in as the tide does not take all water out the Harbour on the outer tide & replace with fresh water"
Ra Knight	Opononi, New Zealand	2020-04-02	"My family and I live in Opononi and work here too. We enjoy all the things our harbour has to offer and we don't want to see our harbour being used as a dumping ground for another 35 years."
Rachel Bristow	Hokianga, New Zealand	2020-04-02	"I don't want waste in our moana!"
Shirley Cadman	Whangarei, New Zealand	2020-04-02	"I'm signing this because I live in the Hokianga and have seen the water quality in the area slowly get worse over the years. The beaches need a long break from this sort of pollution to recover."
Karee Owen	Paithia, New Zealand	2020-04-02	"I live in rawene and this is not right."
Dave Wood	Northland, New Zealand	2020-04-02	"We are not a third world country, sort out the infrastructure and get an environmental friendly treatment solution, quickly..."
Harriet Brown	Brisbane, Australia	2020-04-02	"A better long term solution needs to be found."
Nan Witehira Witehira	Auckland, New Zealand	2020-04-02	"Nan Witehira"
Kirsty Joiner	rawene, New Zealand	2020-04-02	"We must find a way to stop effluent going into our harbour and waterways"
Glenis Pavich	Whangarei, New Zealand	2020-04-02	"I live in Omapere and don't want waste going into our harbour where we fish and swim."
Leeann Waaka	whakatane, New Zealand	2020-04-02	"This should definatley needs to have public consultation and should be made publicly notifiable"
PAULA hOHUA Hohua	Kaikohe, New Zealand	2020-04-02	"As a Kaitiaki and tangata whenua we totally object to this submission. it is a living resource that needs to be nurtured, it is a food resource of many marine species. I oppose of any treated sewage going out into our Hokianga Harbour, Council needs to come up with a better system. Why destroy

Name	Location	Date	Comment
			and keep doing this to our beautiful harbour. Homes should have non flush systems."
Opae Steedman	taihape, New Zealand	2020-04-02	"Um, that's our food source, the sea.Come up with a better plan. That's just lazy and not environmentally friendly"
Kylie Fifield	Kaikohe, New Zealand	2020-04-02	"It's wrong! And should be done after lock down"
Shayne Thompson	Auckland, New Zealand	2020-04-02	"There are better options that discharging into the beautiful harbour"
Harley Barlow	Kerikeri, Alaska, US	2020-04-02	"It's time to fix this and not ignore it again."
Brent Colley	Northland, New Zealand	2020-04-02	"sick of seeing sewage flowing in to the harbor"
Tracy Watene	Hastings, New Zealand	2020-04-02	"That's bloody filthy ignorant and despicable"
Denise Turner	Rawene, New Zealand	2020-04-02	"Take that Kaka somewhere else there are better healthier for the environment type options available these days!!!"
Hana Patuwai	Auckland, New Zealand	2020-04-02	"We need an environment friendly solution and our kaimoana feeds family's"
Alicia Courtney	New Zealand	2020-04-02	"We need better systems than this it is 2020"
Sally Bain	Lower Hutt, New Zealand	2020-04-02	"Harbours and wetlands are the lungs of the land, assholes aren't anywhere near lungs for a reason!"
Bayley Moor	Whangarei, New Zealand	2020-04-02	"No sewage should be discharged into our harbours!"
Joanne Wikaira	Northland, New Zealand	2020-04-02	"We need our harbors clean, and the harbor is a food basket for us locals."
Andrea Lehmann	Tauranga, New Zealand	2020-04-02	"Protect this rare place"
Lis Thomas	Auckland, New Zealand	2020-04-02	"He Wakaputanga o te Rangatiratanga o Nu Tirenī.1. Ko matou ko nga Tino Rangatira o nga iwi o Nu Tirenī i raro mai o Hauraki kua oti nei te huihui i Waitangi i Tokerau 28 o Oketopa 1835. ka wakaputa i te Rangatiratanga o to matou wenua a ka meatia ka wakaputaia e matou he Wenua Rangatira. kia huaina "Ko te Wakaminenga o nga Hapu o Nu Tirenī".2. Ko te Kingitanga ko te mana i te wenua o te wakaminenga o Nu Tirenī ka meatia nei kei nga Tino Rangatira anake i to matou huihuiinga. a ka mea hoki e kore e tukua e matou te wakarite ture ki te tahi hunga ke atu, me te tahi Kawanatanga hoki kia meatia i te wenua o te wakaminenga o Nu Tirenī. ko nga tangata anake e meatia nei e matou e wakarite ana ki te ritenga o o matou ture e meatia nei e matou i to matou huihuiinga."

Name	Location	Date	Comment
Pauline Diamond	Kerikeri, New Zealand	2020-04-02	"Keep the harbour clean"
Bronwyn-Anne Wikaira	Whirinaki, New Zealand	2020-04-02	"Te Wahapu o Hokianga is a food source for many. Keep it as clean as possible. Council can find alternative ways to get rid of treated waste water instead of dumping it into the Hokianga harbour. Paru."
Ellen Kira	Paihia, New Zealand	2020-04-02	"No to the renewal of this consent to FNDC"
Ric Balfour	Tauranga, New Zealand	2020-04-02	"Time to change unsustainable and unhealthy practices."
Jamie-Lee Pulham	Whangarei, New Zealand	2020-04-02	"our tamariki, and whanau swim and eat from these waters"
Renee Anderton	Opononi, New Zealand	2020-04-02	"Yes I do not agree with any wastewater being discharged into the Hokianga Harbour ever, "just stop"."
Craig Werekake	Northland, New Zealand	2020-04-02	"Don't want tiko in our moana"
Indigo Phillips	Tauranga, New Zealand	2020-04-02	"It is time for our country to do something about sewage ruining our environment."
Holli Peters	Auckland, New Zealand	2020-04-02	"Hokianga is our home"
Jean Pou	Invercargill, New Zealand	2020-04-02	"Papakāinga"
Ebonee McDavitt	Palmerston North, New Zealand	2020-04-02	"Keep whānau informed and have our say to protect our moana."
Trevor Beatson	Kaitia, New Zealand	2020-04-02	"It's bad to do this"
Kelvin Tane	Palmerston North, New Zealand	2020-04-02	"Listen to the people FNDC. Let them have a say!"
Betty Smith	Whangarei, New Zealand	2020-04-02	"I live next door to this disgusting plant there is plenty of land unused to move to a land base alternative"
JOAN WILLIAMS	Brisbane, Australia	2020-04-02	"I am against the Council dumping sewage into our Moana!"
Paula Walker	Matata, New Zealand	2020-04-02	"It is not acceptable, they need to find an environmentally friendly alternative."
lisa dunn	Auckland, New Zealand	2020-04-02	"Because the hokianga is our food source."

Name	Location	Date	Comment
Harmonie Gundry##	Whangarei, New Zealand	2020-04-02	"For our future generations, our kai moana."
Noel Hyde	Rotorua, New Zealand	2020-04-02	"In these enlightened times, the continued discharge of treated wastewater into the Hokianga, shows the FNDC is morally and ethically bereft. It needs to lead by example and find a landbased solution, rather than polluting the very district it otherwise purports to advocate and protect."
Harmonie Gundry##	Whangarei, New Zealand	2020-04-02	"It may be small but it sure will have a impact for our future generations, and so what have you."
Pere Stewart	Auckland, New Zealand	2020-04-02	"nga uri o hokianga"
huia willis	Kaikohe, New Zealand	2020-04-02	"I diagree with any waste going into our oceans enough of desecrating our waters,"
Kelly Francis	Auckland, New Zealand	2020-04-02	"I'm from there and there needs to be another sokution"
Stacee Cope	Mangere, New Zealand	2020-04-02	"I love swimming in the harbor when I come back home to Hokianga every year."
Jane Komene	Australia	2020-04-02	"Leave it be, such a beautiful place it is."
glenn mccutcheon	Auckland, New Zealand	2020-04-02	"Poo is no good in a beautiful harbour where people swim."
Katy Nolan	Auckland, New Zealand	2020-04-02	"To Protect Our Awas For Our Future Generations!!"
Hiki Hita	Auckland, New Zealand	2020-04-02	"We have this same issue with the Taipa waste water over flow that goes into our awa awapoko they have been riding on a overdue consent too long.I support you"
June Paratene	Kelston Auckland, New Zealand	2020-04-02	"Water is life! How can we teach our children to be kaitiaki when we let you do this#"
Joy Thompson	Auckland, New Zealand	2020-04-02	"In comparison to a harbour where this is already happening, it's disgusting and we should genuinely strive to better protect our ecosystem whilst we still have one to protect!!!"
Patrick Mchale	Perth, Australia	2020-04-02	"I swim there to when visiting Northland"
Barbara Bruton	Auckland, New Zealand	2020-04-02	"Stop polluting the sea. Marine life is being affected by pollution humans are imposing on our waters."
jovaun ngawaka	Auckland, New Zealand	2020-04-02	"No sewage should be deposited into our oceans , with the technology of today thier are definitely better ways of dealing with waste water"
Anna Houston	Auckland, Auckland, New	2020-04-02	"Have we learnt nothing about how valuable our clean environment is to life? So many more people living

Name	Location	Date	Comment
	Zealand, New Zealand		around the harbour and the council proposes to add to the pollution. Our mokopuna will pay the price for our irresponsibility."
Michaela Nilsen	Northland, New Zealand	2020-04-02	"Whakamana te moana"
Jizzy Green	Tauranga, New Zealand	2020-04-02	"Our precious ocean life needs protecting."
Grant Warren	Kaikohe, New Zealand	2020-04-02	"Ratepayers and local residents need to be able to have their right to make submissions and give feedback on issues like this which affect the local environment and our enjoyment of it now and into the future."
Aroha Tahere	Kaikohe, New Zealand	2020-04-02	"Supporting our whanau"
Queenie Manga	Australia	2020-04-02	"I come from this area and I dont want sewage going into the Hokianga Harbour Im not sure why the council would even think this is ok It is sad that some humans make dumb calls and can be the ruination of this planet."
kate Todd	Auckland, New Zealand	2020-04-02	"Don't do this - stop it - protect this precious taonga"
Terrence Kepa	Auckland, New Zealand	2020-04-02	"Support my Whanau"
Belinda Blair	Rawene, New Zealand	2020-04-02	"This is an important kaupapa"
Moana Kake	Whangarei, New Zealand	2020-04-02	"Signing cos its about time this pollution had more support. Council stop ignoring this request.Sharing this on F/book."
Jourdene Rosella Aguon	Talofofo, Guam; US	2020-04-02	"New Zealand and Kiwis deserve clean water and clean harbours for generations to come! We must act now!"
Katrina Tepania	Auckland, New Zealand	2020-04-02	"We do not give Far Nprth District Council Consent to do this."
Jacqui Dore	Auckland, New Zealand	2020-04-02	"This has made me angry"
Shane Roebeck	Auckland, New Zealand	2020-04-02	"We need to preserve our ocean environments"
Darrin wikaira	Australia	2020-04-02	"We need to preserve Hokianga for the next generation."
Deziree gray	tauranga, New Zealand	2020-04-03	"Keep it clean !"
Uru Walker	Auckland, Australia	2020-04-03	"For the health and well being of the people in the immediate area, also this is where my sister and her husband raised their children and her Son lives there. I'm signing on behalf of them!"

Name	Location	Date	Comment
Julian McCarthy	Auckland 2022, New Zealand	2020-04-03	"The time is well past when we should be discharging treated wastewater into our harbours, particularly currently relatively unpolluted harbours such as the Hokianga Harbour. Far North District Council, its well past time, to get on with the mahi, and do the job properly, by using ageing ponds, biological and chemical methods to clean and purify the water properly !"
Debbie Waller	Auckland, New Zealand	2020-04-03	"The health of our oceans depends on people not putting even treated sewage into them. Our ocean health affects us all."
Brent Colley	Northland, New Zealand	2020-04-03	"Because in this technology world we live in, and the environment being threatened enough, these days, I don't see anything positive about our sewerage going out through our harbour, where we gather food, swim, etc. I definitely do not want another 35 years of the same sewerage deal the council has, there is a better way than the present process."
Janine Tangimai Fitzgerald	Auckland, New Zealand	2020-04-03	"I'm signing because the Hokianga Harbour is a taonga that the iwi use every day to swim in, to fish in to love with the veins of their tipuna. Preserve and care for this taonga is my support."
Janine Tangimai Fitzgerald	Auckland, New Zealand	2020-04-03	"This is a taonga that needs to be preserved not polluted with sewage waste. Soul destroying that Northland Council have even considered the Hokianga harbour as an option!"
gary butt	Whatuwhiwhi, New Zealand	2020-04-03	"It's wrong!!!!!!!!"
Anthea Poulton	new plymouth, New Zealand	2020-04-03	"Anthea Poulton.It's not right"
Margaret Barr	Hokianga, New Zealand	2020-04-03	"Keep our harbour clean"
Marlene Sweeney	Auckland, New Zealand	2020-04-03	"Years ago I would dive four days a week during summer in the 100 to 300mtr area sth of the sewerage outlet which is immediately out from the Bowling Club. Prior to and after the pipe was put in.. initially the smell was putrid around the small creek area running out from between the sports ground where the annual Chopping completions were held and adjacent to the bowling Club.I did call the Local Council and Mentioned/Queried the state/concerns I had with a Male in charge.. of monitoring the ?microns within the stream flow he assured me it was within their limits..can't remember his name.The smell told me otherwise Anyway.. it did calm down after few wks/months..The main difference I experienced was that after the pipe was operating I was still diving 3-4 days a week And with no changes in diet or routine I developed blisters and a definite itching between my fingers as each dive would last min two hours on the outgoing tide... before the tide turned to come back in! As the current would be too swift either"

Name	Location	Date	Comment
Dorothy Keys	Australia	2020-04-03	"People should be notified"
Mike Plant	Kaikohe, New Zealand	2020-04-03	"Becasue this is no longer acceptable or good enough"
Anne McIntyre	Auckland, New Zealand	2020-04-03	"This would totally damage the environment"
craig Joiner	Rawene, New Zealand	2020-04-03	"The community needs and wishes to be involved in this consent renewal because it IS now possible to NOT discharge treated effluent into the harbour ."
Ngawati Dunn	sydney, Australia	2020-04-03	"I'm from the hokianga grew up in the surrounding area and belive there is a better way to disose of the waste"
leah penney	Kaitaia, New Zealand	2020-04-03	"The Hokianga harbour is a precious place not a dumping ground for sewege"
Rouati Ewens	Kaikohe, New Zealand	2020-04-03	"Effluent does not belong in the harbour!"
shareee cawley	Auckland, New Zealand	2020-04-03	"Find a better solution 郎"
Jeanne-Marie Marsden	Hokianga, New Zealand	2020-04-03	"This is not an option. Involve whanau, hapu, iwi and the community in your process for an alternative option."
ann-marie houngelee	Wanganui, New Zealand	2020-04-03	"dilution is not a solution. zero sewage in our harbour."
Leo Katene	Auckland, New Zealand	2020-04-03	"Council looking for a cheap option for discharge..."
Dominic Busck	Hastings, New Zealand	2020-04-03	"I'm signing because in 2020 we know better than to do this. We, you, know this is not best practice. If the environment could speak it would say no! If the people could speak they would say no! This is a decision based on fiscal policy, specifically short term fiscal policy, and we know again and again this is always shortsighted and we pay more in the end . If you had tangata whenua best interests at heart you simply couldn't choose this solution, your choice is the bank accounts interests. Don't do it."
Selena Bercic	New Zealand	2020-04-03	"Its environmentally wrong"
Beryl Henare-Gemmell	Kaitaia, New Zealand	2020-04-03	"Because it has to STOP. Pollution of our beautiful harbours has to STOP. And I'm sick of a council who don't have the mental capacity to THINK OUT OF THE SQUARE. Instead they stick with the status quo, because that all they know. We need PROBLEM SOLVERS not the same old, same oldes who have done nothing to make a real change. We need visionaries, life time impactor to save the future of our communities. Love the Hokianga."

Name	Location	Date	Comment
Erana Kaa	Marton, New Zealand	2020-04-03	"Look after our Moana! It is a source of healing, food and ancestral connection! It must be protected"
Cj Sadler	Auckland, New Zealand	2020-04-03	"The simple act of signing this petition upholds righteousness in a world full of wickedness"
Isabella Waru	Christchurch, New Zealand	2020-04-03	"Ko Ihapera Waru Taku ingoa This is my Papakainga my Whenua to myself an my Whanau a long line of Tipuna a history of Tangata an WE do not consent to our Moana our Awa to be contaminated as you please there will be consequences if you choose to go ahead with the consent of My Iwi Hapu Whanau My Tangata"
Anthony Waipouri	Australia	2020-04-03	"The next generation after we have all gone onto Hawaiki' will not have the same abundance of resources ie Kaimoana (Seafood) due to the Pollution in the Moana (Sea) the same has happened to the pollution of Sea waterways in the Manukau Harbour so the Hokianga harbour will only face the same bad ramifications & outcome due to Councils Poor judgement and stupidity , we as a people stand to lose more and gain Nothing if this Pathetic Lease was to be Granted the go ahead hence our Tamariki (Children) Mokopuna(Grandchildren) would definitely lose out , passed down through Generation to generation sustainability to gather Seafood for the Whanau (Family) a great Whanau pastime Long gone.."
Ann Marie PROCTOR	Otaua, New Zealand	2020-04-03	"Let's not leave this for our future generations to clean up later. Better choices now makes more sense."
Kayla Reihana	Auckland, New Zealand	2020-04-03	"Because I'm from up there and am willing to live up there in the future! It will mean a lot to my future generations! I live and call south Auckland my home. I want to know I'm contributing to the benefit of māori and our resources"
Kathryn Johnston	Kaikohe, New Zealand	2020-04-03	"Our harbour is precious and is a food basket for our community! Please give us all who live in Hokianga a chance to have input into this important decision that will last for 35 years! It is the democratic thing to do !"
Pam Cossey	Rotorua, New Zealand	2020-04-03	"Whanau in the area spoken of & I don't like what it does to the environment & people's health if it isn't done sanitarilly"
Chris Selwyn	Auckland, New Zealand	2020-04-03	"He Tino Tsonga te awa, te Whanga o Hokianga! He Mauri, he Tapu Mai ra ano! Na Kupe, na Nukutawhiti, na Ruanui, heke iho, heke iho! Nareira ma taatou e Tiaki, e manaaki, heke iho, heke iho tonu, mo ake, ake!"
sharyn fawcett	whangarei, New Zealand	2020-04-03	"Keep our oceans clean future generations would like to fish and gather seafood why have they been doing that disgusting"
Christine Wymer	Mirraboooka, Western Australia, Australia	2020-04-03	"Because we dont need that shit in our harbour."

Name	Location	Date	Comment
Phyllis Nahi	Hokianga, New Zealand	2020-04-04	"So apposed this like HELLO! why wouldn't we."
Pamela Pope	Nelson, New Zealand	2020-04-04	"Disgusting thing to do, wake up humans."
Lesley Flora	Adelaide, Australia	2020-04-04	"That is appalling, negligent and disgusting in this day and age, MORONS"
Karla Dearlove	Australia	2020-04-04	"It is essential for this to be made in a public forum as this council has a history of making decisions against the food of the people of this area."
gina paraha	Whangarei, New Zealand	2020-04-04	"Stop polluting our natural resources...We all need to stop this everywhere..."
Vanessa Clarke	Auckland, New Zealand	2020-04-04	"We can't pollute our waterways & oceans any longer!"
virginia braun	auckland, New Zealand	2020-04-04	"The Hokianga is home and the harbour is a taonga that needs to be protected. Haven't we learnt that polluting water is NOT RIGHT"
Hugh Rose	Whangarei, New Zealand	2020-04-04	"It is disgusting when these precious resources are wasted. One by pollution and the other by wasting phosphates and nutrients"
Lisa Watson	Auckland, New Zealand	2020-04-04	"Councils need to stop this nonsense urgently"
Karen Gidall	Whangarei, New Zealand	2020-04-04	"The kai maoana from that area sustains many whanau - this is a barbaric practice"
shelley Bruce	Auckland, New Zealand	2020-04-04	"Keep our waters clean for swimming and fishing. It's the right thing to do."
leslie Te Haara	Perth, Australia	2020-04-04	"It is downright wrong to pollute our waterways."
Rebekah Iand	Hokianga, New Zealand	2020-04-04	"I want to keep our beautiful harbour clean and healthy - this sort of "waste solution " is not acceptable"
Vicky McAllister	New Zealand	2020-04-04	"We must come up with better ways of dealing with waste. Dumping them in our oceans is going to be detrimental to the environment now and for the many generations to come. #keephokiangaclean"
Kristina Robertson	Auckland, New Zealand	2020-04-04	"That is disgusting. We swim and eat from this harbor. It is a local life force. Not a waste land."
Dean Gutterson	New Zealand	2020-04-05	"D w gutterson"
hoani paku	Australia	2020-04-05	"so who's pocket's are getting filled for giving this a green light"

Name	Location	Date	Comment
Larry Brown	Auckland, New Zealand	2020-04-05	"Ko Te wahapu o Hokianga te Moana"
Darryn Adams	New Zealand	2020-04-05	"Tautoko"
Lorene Ellen Royal	Rawene, New Zealand	2020-04-05	"Fed up with mismanagement"
Hannah Furfie	Paekakariki, New Zealand	2020-04-06	"My partner comes from Opononi and we intend on moving back. This isn't something I'd be proud of having in my community."
Annette Melgren	Bay of Islands, New Zealand	2020-04-06	"The harbour should be kept clean as a food source."
Darlene Wyles	Auckland, New Zealand	2020-04-07	"This is a pantru and a food source for our family. It is a sacred place for Ngapuhi. Didpose of the waste as if it was your own backyard!"
Siddhi Smith	Greytown, New Zealand	2020-04-09	"It's such a beautiful harbour. No discharge please!"
Natasha Bolton	Rangiriri, New Zealand	2020-04-10	"This is the place of my birth and our waterways must be protected. This ocean feeding whanau... it is NOT a toilet!"
Liadan Winters	Whangarei, New Zealand	2020-04-12	"The public have a right to make their opinions count"
Anna Williams	Wellington, New Zealand	2020-04-16	"The public, especially the local community, have the right to have a say in whether or not their harbour is polluted with sewage and waste water."
Rosina Wikaira	Auckland, New Zealand	2020-04-22	"Take stock from this covid-19 lockdown. The earth has been able to restore itself from human destruction. It time to stop the pollution into our waterways!"
Amelia Waipouri	Whangarei, New Zealand	2020-04-26	"Following from Oz. Have family back in Omapere keeping tabs on what's happening."
Louis Toorenburg	Rawene, New Zealand	2020-04-30	"we just cannot continue to do what has been done for years, it is time to look at alternatives as solutions. 35 years how ridiculous is that. Explore all options, explore other options for funding instead of relying on a small community base to pay for it. The outcome needed is a cleaner harbour. We just can't keep shitting in our food basket."
ANA BERICICH	Mitimiti, New Zealand	2020-04-30	"Further degradation and pollution of the Hokianga Harbour has got to stop ditto."
Lisa Steiner	Kaiwaka, New Zealand	2020-04-30	"Because I deal with this shit daily but in a different community don't let it become Mangawhai!!!!"
Nicole Henderson	Auckland, New Zealand	2020-04-30	"Protect this treasure"

Name	Location	Date	Comment
Joanna Rodgers	Kaiwaka, New Zealand	2020-05-01	"The Hokianga community and mana whenua should have the opportunity to have their say on if and how this resource consent is renewed"
nadia madin	kohukohu, New Zealand	2020-05-02	"I live in the hokianga"
Glenda Cammell	Kohukohu, Northland, New Zealand Because I ama woma, New Zealand	2020-05-02	"Because we eat from this harbour!!"
lynette manning	Auckland, New Zealand	2020-05-02	"Because we need our water clean"
Heidi Pinkney	Northland, New Zealand	2020-05-02	"I love our harbour"
tahi eynon	coromandel, New Zealand	2020-05-03	"Sewerage should go on land"
Mark Trimble	Kerikeri, New Zealand	2020-05-03	"I'm spending a lot of money ensuring my new sewerage system on my property, that leads eventually to the Hokianga, meets your strict criteria that I applaud yet you have an entirely different rule for your own operations. Your hypocrisy and sheer arrogance is appalling. Shame on you."
Melissa Hambly	Mangawhai, New Zealand	2020-05-06	"Even though this wastewater has been treated, how good is it for the Hokianga Harbour? Even if it is technically harmless, is that really where we want wastewater to go? That's a no from me."
Yvonne Benfell	Auckland, New Zealand	2020-05-06	"As said before sewage should go back on land."
Alistair Robinson	Mangawhai, New Zealand	2020-05-06	"We need to dispose of treated sewage on land. It's time to stop polluting the harbours and waters of our coastline. ."
GAVIN MARSICH	Auckland, New Zealand	2020-05-06	"Be environment friendly and install a cesspit like many of us already have in the area."
Mahina- Ina M Kingi-Kauī	Kaikohe, New Zealand	2020-05-14	"This is a sacred harbor and Awa, that flows out to The Moana-nui-a-kiwa."
Wally Hicks	Christchurch, New Zealand	2020-05-19	"Human waste should go on the land. We could feed the ghastly pine forests with it. Get them over and done with asap. Replant natives on steeper land and Hemp wherever possible to rejuvenate the soil and provide hundreds of uses, and potential 'cottage/factory industries', with virtually zero input of herbicides and pesticides and artificial nutrients."

Name	Location	Date	Comment
winnie field	Palmerston North, New Zealand	2020-05-21	"Opononi is a beautiful place. Waste water ect should be put in the land not her beautiful water"
Ana Mangu	Arncliffe, Australia	2020-05-23	"Who are these people, that think waste should run to our water . Please look after the land waters that we have been bless with New Zealand is my birth right .Opinion you are part of this beautiful peaceful stop waste running into there water"

TITLE: Health and Safety Report

ID: A1335501

From: Beryl Steele, Human Resources Manager

Executive summary/Whakarāpopototanga

This report provides an overview of activity in health and safety for the month of June 2020 along with year-end key points. This month, with being back at Level 1 and there being an increase in field work, incidents have started to increase.

Recommendation

That the report 'Health and Safety Report' by Beryl Steele, Human Resources Manager and dated 3 July 2020, be received.

Background/Tuhinga

Period	Injury Related							Hazards			
	Loss time Injury (LTI)	Accident Work (ACC W)	Accident Not Work (ACC NW)	Discomfort Pain, Injury (DPI)	Medical Treatment Incident (MTI)	First Aid Treatment Incident (FTI)	No Medical Treatment Incident (NMTI)	Near Miss	Hazard (HAZ)	Incident (INC)	Security (SEC)
2018	7	8	0	0	2	4	0	13	35	17	0
2019	2	11	2	0	0	8	1	22	17	21	3
2020	1	3	0	6	0	6	62	12	9	10	0
May	0	1	0	1	0	1	0	0	0	0	0
June	0	0	0	1	0	0	0	0	1	6	0

Incidents are starting to increase again as work resumes. Staff have also been engaging well with prompts to use the health and safety reporting system.

Events of note

There was an instance where an individual was abusive and threatening to a staff member over the phone. This individual also visited our office, however, staff there at the time did not feel threatened. The issue has since been resolved.

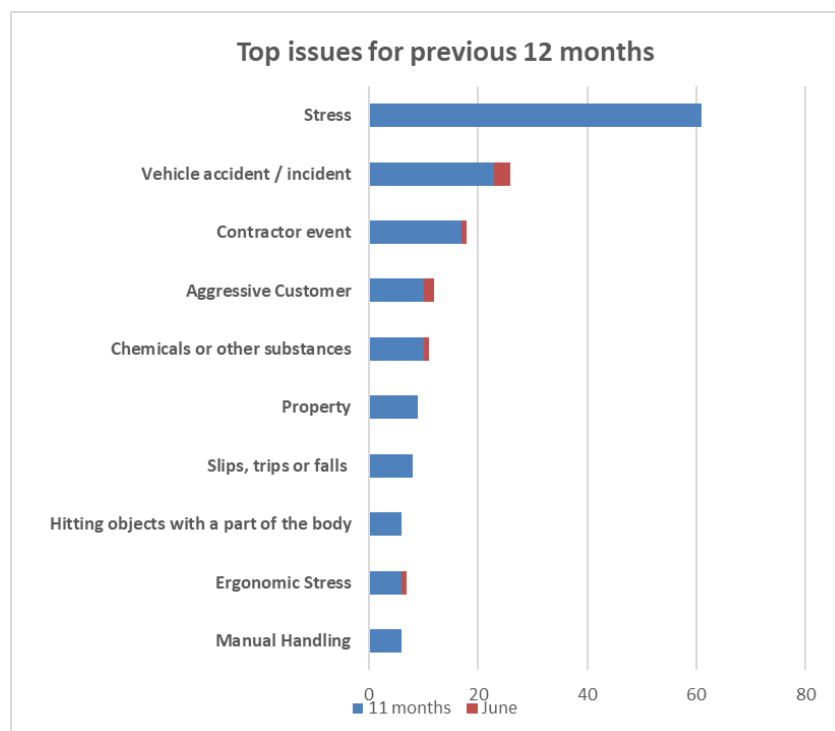
There was a small fire at the Kensington redevelopment. A hot substance fell onto flammable glue. The fire was quickly extinguished. The contractor has taken steps to reduce the risk of it occurring again.

Year-end health and safety statistics key points

- There was a notable decline in reporting when our Health and Safety Advisor left which also coincided with COVID 19, the lockdown and Level 3 (February – May 2020).
- In general, there has been a decrease in near misses and new hazards being reported so there will be more emphasis and communication placed on reporting moving forward. This data helps to predict future potential causes for harm and allows us to address them before anything occurs.

- The late spring, early summer period shows the busiest period in terms of reports made in both years. This likely reflects the increased activities out in the field during this period.
- Vehicle accidents / incidents were the highest reported hazard type in 2018-2019, and is the second highest in 2019-2020, behind stress.

Issues register



Contractor events move higher up the issues table. Several incidents of speeding were reported backdating a few months – none occurred in June. Steps are being taken to monitor the contractor. If it occurs again the contract can be terminated early.

A stress survey will be carried out in July to ascertain the causes of stress and identify potential solutions.

We are sourcing driver training courses with the assistance of the health and safety representatives.

Legislative updates

Nil

Notifiable events

Nil

Wellbeing Group

The Wellbeing Group's focus has now moved to what needs to be done to support our staff now that they are back to a 'normal' working environment and also looking at what, if anything, we need to do with trialling the new flexible working conditions policy. The group has also started planning for what wellbeing training and support needs to be done over the next financial year.

Completed training

Completed June 2020	Pax
First Aid Revalidation	3
Fire Warden & Emergency Procedures	1
Total	4

Forecasted training for July 2020

Training forecasted July 2020	Pax
First Aid Revalidation	1
Health and Safety Rep Stage 1	7
Total	8

Working priorities for July 2020

Working priorities for July 2020
Reviewing of significant hazard register (SHR) operating documents as per schedule in Risk Register.
Work with relevant groups (fire wardens, health and safety representatives, chemical handlers) to review processes.
Communication on updated contractor management procedure to staff.
Communication on hazard identification and incident reporting.
Monitoring of driving with increased use of council vehicles.
Stress – working with the Stress Group to find out what the issues are.
Finding a suitable driver training course and identifying staff who should attend.
Development of a procedure or plan for addressing speeding (and poor driving).

Update on May working priorities

- Review started on Promapp procedures against the training system (Cognise) and policies to ensure they all align. This will continue during July.
- Contractor procedure has been completed but yet to complete the information booklet for contractors on our new procedure and communicate update to staff.

Attachments/Ngā tapirihanga

Nil

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 10 July 2020

TITLE: Confirmation of Minutes - 16 June 2020

ID: A1334703

From: Chris Taylor, Governance Support Manager

Recommendation

That the minutes of the confidential council meeting held on 16 June 2020 be confirmed as a true and correct record.

Attachments/Ngā tapirihanga

Attachment 1: Council Meeting Minutes 16 June 2020 [↓](#)

Authorised by Group Manager

Name: Chris Taylor

Title: Governance Support Manager

Date: 14 July 2020

Council Meeting
16 June 2020

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 16 June 2020, commencing at 10.30am

Present:

Chairperson, Penny Smart

Councillors:

John Bain
Justin Blaikie
Jack Craw
Colin Kitchen
Amy Macdonald
Marty Robinson
Rick Stolwerk
Joce Yeoman

In Attendance:

Full Meeting

Independent Advisor (x2)
Northland Inc. Limited Chief Executive
Northland Inc. Limited GM Investment and Infrastructure
Chief Executive Officer
GM - Strategy, Governance and Engagement
GM - Environmental Services
Corporate Planning Manager
Policy Specialist
Governance Support Manager

Part Meeting

GM - Corporate Excellence
GM - Regulatory Services
GM - Customer Services/Community Resilience
Finance Manager
Strategy, Policy and Planning Manager
Management Accountant
Strategic Policy Specialist
PA to GM – Corporate Excellence

The Chair declared the meeting open at 10.30am and proceedings commenced with a karakia by Councillor Stolwerk.

Apologies (Ngā whakapahā) (Item 1.0)

There were no apologies.

Council Meeting
16 June 2020

Declarations of Conflicts of Interest (Nga whakapuakanga) (Item 2.0)

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

Health and Safety Report (Item 3.0)

ID: A1321836

Report from Beryl Steele, Human Resources Manager

Moved (Kitchen/Craw)

That the report 'Health and Safety Report' by Beryl Steele, Human Resources Manager and dated 2 June 2020, be received.

Carried

Confirmation of Minutes - 19 May 2020 (Item 4.1)

ID: A1320505

Report from Chris Taylor, Governance Support Manager

Moved (Blaikie/Bain)

That the minutes of the council meeting held on 19 May 2020, be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 4.2)

ID: A1322542

Report from Chris Taylor, Governance Support Manager

Moved (Stolwerk/Macdonald)

That the action sheet be received.

Carried

Working Party Updates and Chairpersons' Briefings (Item 4.3)

ID: A1311976

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

Moved (Yeoman/Robinson)

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

Carried

Secretarial Note:

- A correction was noted to the spelling of Councillor Jack Craw in the report.
- The Chair of the Biosecurity and Biodiversity Working Party and the Co-Chair of Te Taitokerau Māori and Council Working Party provided a verbal update on the current priorities and work programmes for these subordinate bodies.
- Attendance rates of TTMAC members on Working Parties to be monitored to ensure the 50/50 elected member/TTMAC membership was working effectively.

ID: A1326609

2

Council Meeting
16 June 2020

Financial Report to 31 May 2020 (Item 5.1)

ID: A1322797

Report from Vincent McColl, Financial Accountant

Moved (Stolwerk/Kitchen)

That the report 'Financial Report to 31 May 2020' by Vincent McColl, Financial Accountant and dated 3 June 2020, be received.

Carried

Secretarial Note:

- *The Independent Financial Advisor addressed the report; noting the underperformance of council's investment funds due to the global situation. However, council had responded 'quickly and appropriately' to financial pressures; including the successful application for the COVID-19 wage subsidy. Attention was also drawn to the potential rollover of OPEX due to the back log of work from the previous financial year.*
- *Appreciation was extended to the finance team for its response to the challenges faced as a result of COVID-19.*

Adoption of User Fees and Charges 2020/21 | Kaupapa Here a Utu (Item 6.1)

ID: A1314750

Report from Robyn Broadhurst, Policy Specialist and Kyla Carlier, Corporate Planning Manager

Moved (Stolwerk/Blaikie)

1. That the report 'Adoption of User Fees and Charges 2020/21 | Kaupapa Here a Utu' by Robyn Broadhurst, Policy Specialist and Kyla Carlier, Corporate Planning Manager and dated 11 May 2020, be received.
2. That council sets and adopts the User Fees and Charges 2020/21 included as Attachment 1 pertaining to Item 6.1 of the 16 June 2020 council agenda.
3. That council authorises Jonathan Gibbard, Group Manager - Strategy, Governance and Engagement to make any necessary minor drafting, typographical, rounding, or presentation corrections to the User Fees and Charges 2020/21 prior to final publication of the document.

Carried

Adoption of the Annual Plan 2020/21 | Mahere-a-Tau 2020/21 (Item 6.2)

ID: A1318940

Report from Kyla Carlier, Corporate Planning Manager

Moved (Blaikie/Yeoman)

1. That the report 'Adoption of the Annual Plan 2020/21 | Mahere-a-Tau 2020/21' by Kyla Carlier, Corporate Planning Manager and dated 24 May 2020, be received.
2. That council resolve to apply \$7,380,760 of funding from the Property Reinvestment Fund reserve to development of the Kaipara Service Centre, as reflected in the Annual Plan 2020/21 budgets, while noting that the specific funding source may be considered further by council as the project proceeds.

ID: A1326609

3

Council Meeting
16 June 2020

3. That council resolve not to include in the 2020/21 Annual Plan budget \$6,000,000 of funding as investment in infrastructure for a recirculated aquaculture scheme, with future funding to be confirmed by resolution of council (during the 2020/21 financial year).
4. That in accordance with section 95 of the Local Government Act 2002, the council adopts the Annual Plan 2020/21, as included as Attachment 1 pertaining to Item 6.2 of the 16 June 2020 council agenda.
5. That the council authorises Jonathan Gibbard, Group Manager - Strategy and Governance to make any necessary minor drafting, typographical, rounding, or presentation corrections to the Annual Plan 2020/21 prior to the document going to print.

Carried

Secretarial Note:

- *The Chief Executive Officer amended Recommendation 2 to reflect that the specific funding source for the Kaipara Service Centre may be considered further by council as the project proceeded.*
- *Attention was drawn to the fact that the government's 'Action for healthy waterways package' would have long term implications on council's budgets.*

Rates for the Year 1 July 2020 to 30 June 2021 (Item 6.3)

ID: A1315872

Report from Dave Tams, Group Manager, Corporate Excellence; Casey Mitchell, Assistant Management Accountant and Simon Crabb, Finance Manager

Moved (Stolwerk/Bain)

1. That the report 'Rates for the Year 1 July 2020 to 30 June 2021' by Dave Tams, Group Manager, Corporate Excellence; Casey Mitchell, Assistant Management Accountant and Simon Crabb, Finance Manager and dated 14 May 2020, be received.
2. That council notes that it has had regard to section 100T of the Biosecurity Act 1993 and confirms that its analysis of Section 100T of the Biosecurity Act 1993, as included in the Long Term Plan 2018-2028, remains appropriate in relation to setting the Pest Management Rate for 2020/21.
3. 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 2020 and ending 30 June 2021:

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:

Including GST

ID: A1326609

4

Council Meeting
16 June 2020

Far North District	\$92.40 per SUIP
Kaipara District	\$125.27 per RU
Whangārei District	\$120.20 per SUIP

The Whangārei District targeted council services rate amount of \$120.20 (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	\$0.0000878 per dollar of land value
Kaipara District	\$0.0000995 per dollar of land value
Whangārei District	\$0.0000914 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	\$0.0001887 per dollar of land value
Kaipara District	\$0.0002137 per dollar of land value
Whangārei District	\$0.0001966 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	\$46.88 per SUIP
Kaipara District	\$63.56 per RU
Whangārei District	\$60.11 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

Council Meeting
16 June 2020

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	\$27.05 per SUIP
Kaipara District	\$27.05 per RU
Whangārei District	\$27.05 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	\$16.73 per SUIP
Kaipara District	\$22.67 per RU
Whangārei District	\$21.44 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	\$11.71 per SUIP
Kaipara District	\$11.71 per RU
Whangārei District	\$11.71 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	\$16.76 per SUIP
Kaipara District	\$16.76 per RU
Whangārei District	\$16.76 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

Council Meeting
16 June 2020

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	\$0.0000230 per dollar of land value
Kaipara District	\$0.0000261 per dollar of land value
Whangārei District	\$0.0000240 per dollar of land value

j. Targeted Whangārei transport rate

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

	<u>Including GST</u>
Whangārei District	\$23.20 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	\$8.60 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:

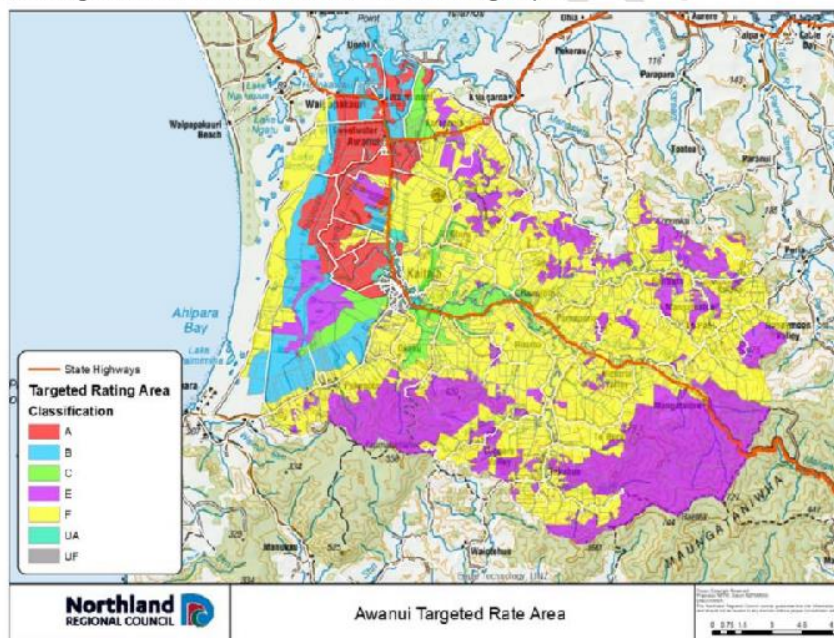
The rate is set differentially as follows:

Category	Description	Rate including GST
UA	Urban rate class UA (floodplain location) \$296.23 direct benefit plus \$29.89 indirect benefit per separately used or inhabited part of a rating unit (SUIP).	\$326.12 per SUIP
UA	Urban rate class UA – commercial differential.	\$978.36 per SUIP
UF	Urban rate classes UF (higher ground) \$29.89 direct benefit plus \$29.89 indirect benefit per separately used or inhabited part of a rating unit.	\$59.78 per SUIP
UF	Urban rate class UF – commercial differential.	\$179.34 per SUIP
Rural	Rural rate differentiated by class, \$13.18 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.	\$13.18 per SUIP
Class	Description	Rate including GST

Council Meeting
16 June 2020

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.	\$24.47 per hectare
A & B commercial differential		\$73.41 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.	\$1.09 per hectare
F commercial differential		\$3.27 per hectare

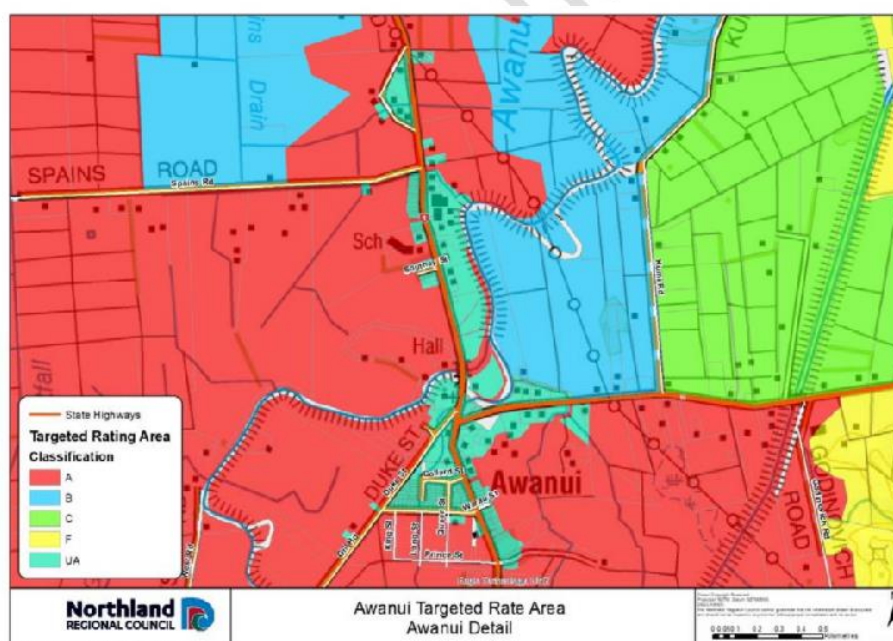
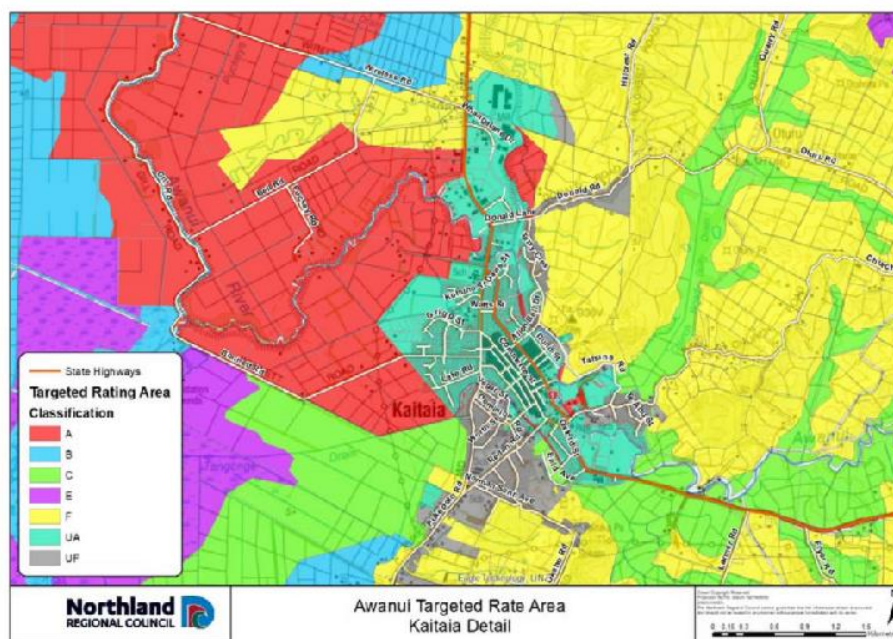
The rating classifications are illustrated in the following maps:



ID: A1326609

8

Council Meeting
16 June 2020



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:

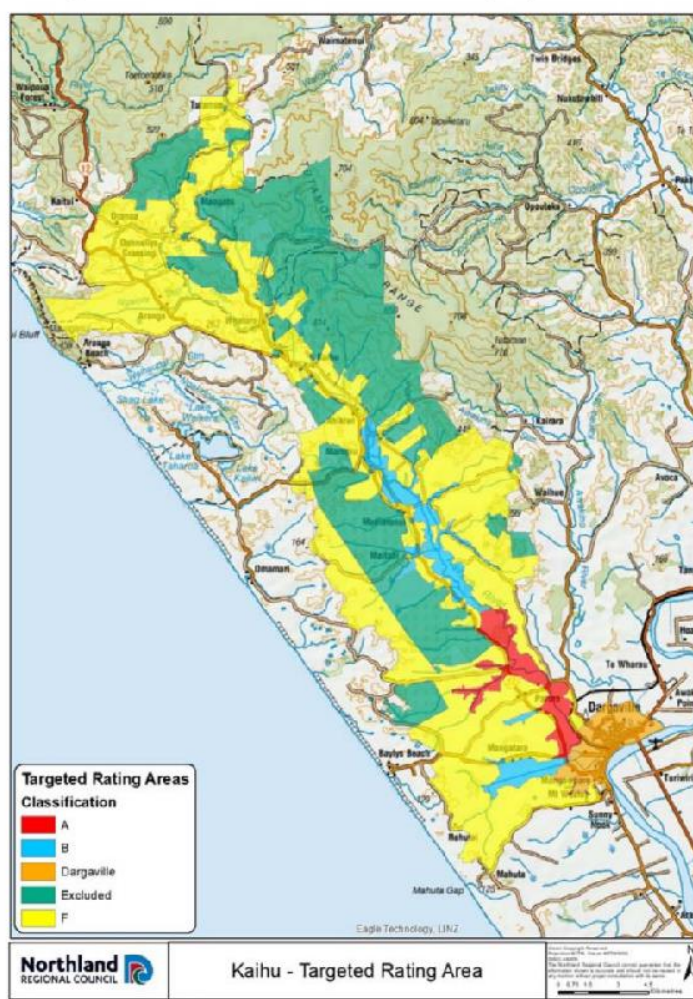
ID: A1326609

9

Council Meeting
16 June 2020

Class	Description	Rate Including GST
A	Land on the floodplain and side valleys downstream of Rotu Bottleneck.	\$23.13 per hectare
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12.	\$11.39 per hectare
F	Land within the Kaihū River rating area not falling within Class A and Class B.	\$1.60 per hectare
Urban Contribution – A contribution from the Kaipara District Council instead of a separate rate per property:		\$5,015 per annum

The rating classifications are illustrated in the following map:



ID: A1326609

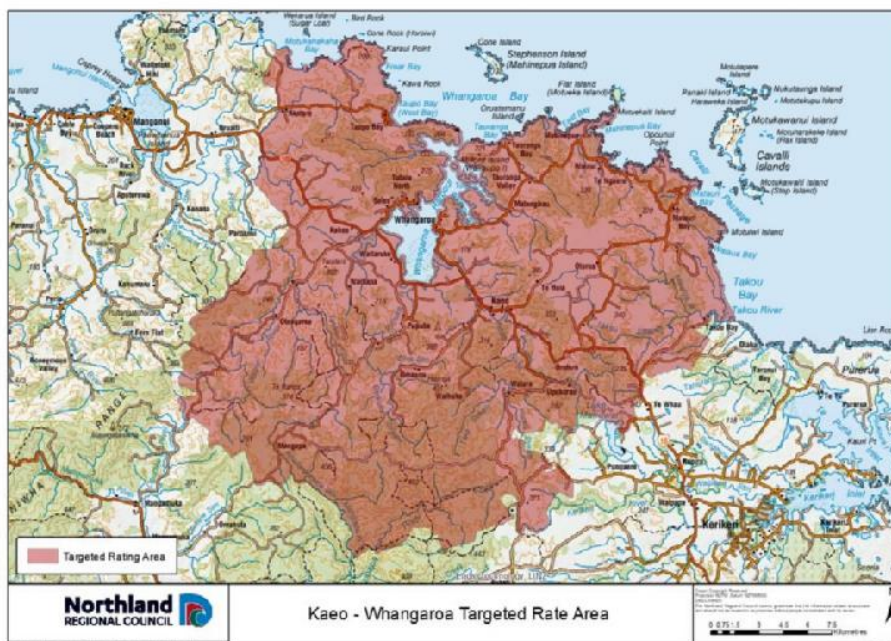
10

Council Meeting
16 June 2020

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:

Former Whangaroa Ward Including GST
\$51.36 per SUIP



o. Targeted Whangārei urban rivers management rate

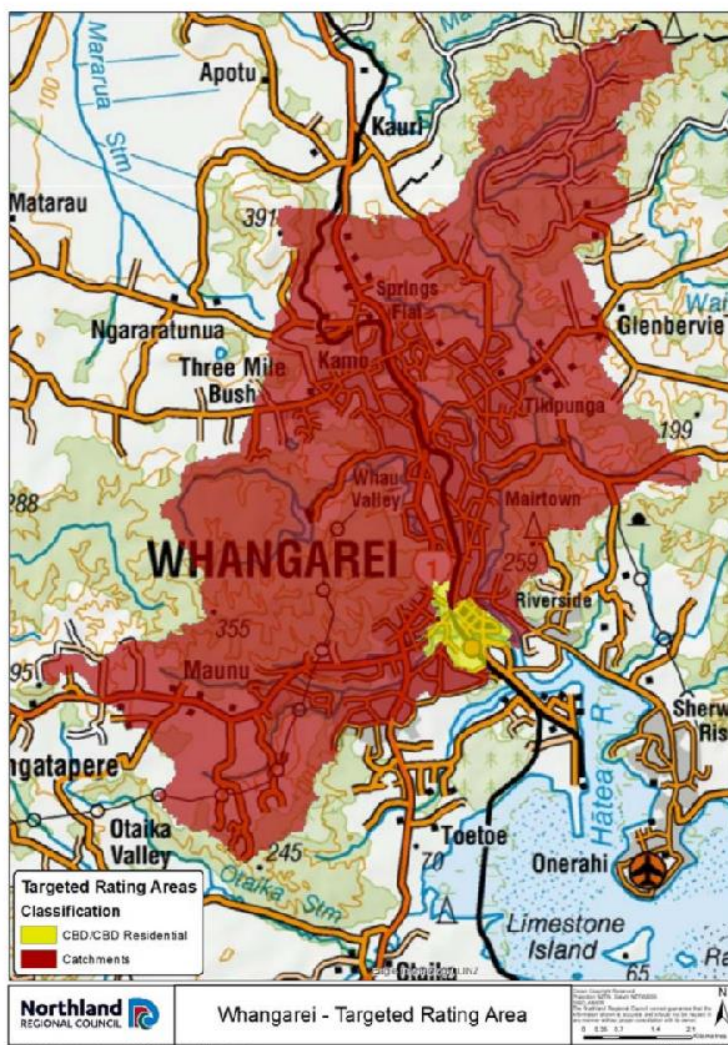
A targeted rate set under the LGRA and assessed on all rateable properties defined by reference to the differential categories and differentiated by location (illustrated in the map below) and, for some categories, land use. It is set as a fixed amount per each rateable separately used or inhabited part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

Category		<u>Including GST</u>
1	Commercial properties located in the Whangārei Central Business District flood area:	\$353.75 per SUIP
2	Residential properties located in the Whangārei Central Business District flood area:	\$174.91 per SUIP
3	Properties located in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River Catchments):	\$43.52 per SUIP

ID: A1326609

11

Council Meeting
16 June 2020



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>
---	---

ID: A1326609

12

Council Meeting
16 June 2020

	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.

4. 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 2020
Instalment 2	20 November 2020
Instalment 3	22 February 2021
Instalment 4	20 May 2021

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 2020/21 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 2020
Instalment 2	27 November 2020
Instalment 3	01 March 2021
Instalment 4	27 May 2021

Kaipara District constituency:

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

Council Meeting
16 June 2020

Instalment	Due date for payment
Instalment 1	20 August 2020
Instalment 2	20 November 2020
Instalment 3	20 February 2021
Instalment 4	20 May 2021

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 2020/21 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 2020
Instalment 2	21 November 2020
Instalment 3	21 February 2021
Instalment 4	21 May 2021

- 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 1 July 2020 will be added on 1 July 2020.
- 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 on 1 January 2021 will be added on 5 January 2021.

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 September 2020
Instalment 2	20 November 2020
Instalment 3	20 February 2021
Instalment 4	20 May 2021

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 five percent (5%) will be added to any portion of each instalment of Whangārei District constituency rates

Council Meeting
16 June 2020

assessed in the 2020/21 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 September 2020
Instalment 2	25 November 2020
Instalment 3	24 February 2021
Instalment 4	25 May 2021

- In accordance with section 58(1)(b) of the LGRA, a penalty of five per cent (5%) will be added to any Whangārei District constituency rates (including any penalties) from any financial year prior to 1 July 2020 that still remain unpaid as at 1 July 2020. This penalty will be added on 5 October 2020.

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 2020/21 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 2020/21 financial year will be applied.

The district councils have advised that their rates adoption dates are as follows:

- Far North District Council – 30 June 2020
- Kaipara District Council – 24 June 2020
- Whangārei District Council – 9 July 2020.

Should their collection and/or penalty dates change through the rate setting process we will need to amend our resolution accordingly.

Carried

Secretarial Note: Appreciation was extended to staff for the preparation of the Annual Plan which was described as 'a huge effort under trying circumstances'.

Changes to delegations (Item 6.4)

ID: A1316427

Report from Dave Tams, Group Manager, Corporate Excellence

Moved (Blaikie/Robinson)

1. That the report 'Changes to delegations' by Dave Tams, Group Manager, Corporate Excellence and dated 18 May 2020, be received.
2. That the financial delegation limits for the Group Managers be increased to \$250,000.

Carried

ID: A1326609

15

Council Meeting
16 June 2020

GMO Appeals - Proposed Regional Plan (Item 6.5)

ID: A1320126

Report from Ben Lee, Strategic Policy and Planning Manager

Secretarial Note: Councillor Robinson declared a non-financial conflict of interest and (as per Standing Order 20.8) left the table for the duration of Item 6.5 and abstained from discussion/voting.

Moved (Bain/Stolwerk)

1. That the report 'GMO Appeals - Proposed Regional Plan' by Ben Lee, Strategic Policy and Planning Manager and dated 27 May 2020, be received.

Carried

It was further moved (Yeoman/Blaikie)

2. That council adopts provisions to manage the release of GMOs in the Coastal Marine Area as set out in Attachment 2 of the staff report, as most appropriate to achieve the purpose of the Resource Management Act and give effect to the high order instruments; including the Regional Policy Statement and the New Zealand Coastal Policy Statement.

Secretarial Note: An alternative motion (that had been legally reviewed) was tabled for consideration. With the approval of the mover and seconder the original motion was withdrawn and substituted with the following amendment (as per Standing Order 23.4):

2. That council agrees to settle the Whangarei District Council and Far North District Council 5 September 2020 Environment Court appeal seeking to include provisions in the Proposed Regional Plan regulating the use of genetically modified organisms in the coastal marine area, on the basis that including provisions would better achieve the purpose of the Resource Management Act 1991 and give effect to the high-order instruments, including the Regional Policy Statement and New Zealand Coastal Policy Statement.
3. That Councillors Blaikie, Yeoman, Kitchen, and Macdonald be delegated the ability to make decisions on council's behalf on the wording of the provisions to resolve Whangarei District Council's and Far North District Council's appeal provided:
 - (a) the decision on the wording of the provisions by Councillors Yeoman, Kitchen, Blaikie and Macdonald is unanimous;
 - (b) the wording is generally consistent with the provisions as set out in Attachment 2: Council meeting - Council decision on GMO submissions - Potential council decision supporting inclusion of provisions for genetically modified organisms, in the 16 June 2020 Council meeting item 6.5: GMO Appeals – Proposed Regional Plan; and
 - (c) the appellants and the Section 274 parties agree to the wording of the provisions.

Carried

ID: A1326609

16

Council Meeting
16 June 2020

(A division was called (as per Standing Order 19.5) and in putting the motion the Chairperson called for an expression of opinion by a show of hands. The result being Councillors Blaikie, Craw, Kitchen, Macdonald, Smart and Yeoman in favour and Councillors Bain and Stolwerk against. Councillor Robinson abstained).

Secretarial Note:

- After repeated disruptions during the debate on Item 6.5 the Chair directed a member of the public to leave the meeting (as per Standing Order 12.2).
- Clarification was provided that the councillors identified to make decisions on council's behalf on the wording of the provisions were the same delegated by council (December 2019) to make decisions on councils behalf for resolving appeals on the Proposed Regional Plan for Northland that were not generally aligned with the direction of council.
- Council unanimously extended support and appreciation to the Strategic Policy and Planning Manager (and his team).
- The meeting adjourned at 11.42am and reconvened at 11.51am.

TTMAC Draft Terms of Reference (Item 6.6)

ID: A1321986

Report from Sheila Taylor, Kaiarahi - Kaupapa Māori

Moved (Robinson/Blaikie)

1. That the report 'TTMAC Draft Terms of Reference' by Sheila Taylor, Kaiārahi - Kaupapa Māori and dated 2 June 2020, be received.
2. That council resolves to adopt the Draft Terms of Reference of the Te Taitokerau Māori and Council Working Party.

Carried

Appointed Members' Allowance Payment to Iwi Representatives on the Northland CDEM Coordinating Executive Group (Item 6.7)

ID: A1322448

Report from Evania Arani, Executive Assistant Customer Services - Community Resilience

Moved (Blaikie/Macdonald)

1. That the report 'Appointed Members' Allowance Payment to Iwi Representatives on the Northland CDEM Coordinating Executive Group' by Evania Arani, Executive Assistant Customer Services - Community Resilience and dated 2 June 2020, be received.
2. That council approve the payment of the 'Appointed Members' Allowance' to the two iwi representatives on the Northland Civil Defence Coordinating Executive Group with an allocation cap of four meetings and two workshops per annum.

Carried

ID: A1326609

17

Council Meeting
16 June 2020

Draft NRC Submission - Extension to Manganui Bay Temporary Fisheries Closure (Item 6.8)

ID: A1322867

Report from Justin Murfitt, Strategic Policy Specialist

Moved (Bain/Amy)

1. That the report 'Draft NRC Submission - Extension to Manganui Bay Temporary Fisheries Closure' by Justin Murfitt, Strategic Policy Specialist and dated 3 June 2020, be received.
2. That council approve the draft submission attached pertaining to Item 6.8 of the 16 June 2020 council agenda (subject to any amendments directed by council).
3. That the Chief Executive Officer be authorised to sign the submission on behalf of council prior to it being lodged with the Ministry for Primary Industries.

Carried

Secretarial Note: Clarification was provided that all minor drafting/typographical/presentation corrections to the submission were being actioned by staff prior to lodgement.

Regional Economic Development: Progress Towards a Joint Delivery Model (Item 6.9)

ID: A1323190

Report from Darryl Jones, Economist and Jonathan Gibbard, Group Manager - Strategy, Governance and Engagement

Moved (Stolwerk/Kitchen)

1. That the report 'Regional Economic Development: Progress Towards a Joint Delivery Model' by Darryl Jones, Economist and Jonathan Gibbard, Group Manager - Strategy, Governance and Engagement and dated 4 June 2020, be received.

Carried

It was further moved (Craw/Robinson)

2. That council approve the recommendations of the Mayoral Forum for the delivery of regional economic development services as set out in Attachment One of Agenda Item 6.9 of the 16 June 2020 Council Meeting. This approval is given subject to:
 - a. District council approval of the same recommendations / proposal;
 - b. Consideration be given to increasing the number of councillor representatives on the Joint Committee from one to two for each council;
 - c. Progress the Regional Economic Development Strategy as a priority and, if funding allows, ahead of the formal establishment of the joint CCO (i.e. during the 2020/21 financial year); and
 - d. Public consultation on the establishment of Northland Inc. as a jointly owned CCO, through council's 2021–2031 Long Term Plan process, and council's subsequent decision-making process.

Carried

ID: A1326609

18

Council Meeting
16 June 2020

Chair's Report to Council (Item 7.1)

ID: A1320214

Report from Penny Smart, Chair

Moved (Smart/Macdonald)

That the report 'Chair's Report to Council' by Penny Smart, Chair and dated 29 May 2020, be received.

Carried

Secretarial Note: A correction was noted to the report; that Councillor Kitchen had been appointed on to the Fire and Emergency Local Advisory Committee.

Chief Executive's Report to Council (Item 7.2)

ID: A1319422

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Blaikie/Macdonald)

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, Chief Executive Officer and dated 31 May 2020, be received.

Carried

Secretarial Note:

- *The Chief Executive Officer:*
 - *Drew attention to the National Healthy Waterways initiative which would have far reaching impacts on both councils and the community.*
 - *Undertook to circulate the letter to Minister Jones regarding 'Increased Drought Resistance in Northland Rural Areas'.*
- *The biosecurity team was complimented for its exemplary customer service; being described as 'agile, intuitive, flexible and pragmatic'.*
- *The recommendations contained within the NIWA Northland dune lakes review to be considered by the Water and Land Working Party.*

Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2019/20 (Item 7.3)

ID: A1322952

Report from Darryl Jones, Economist

Moved (Stolwerk/Yeoman)

That the report 'Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2019/20' by Darryl Jones, Economist and dated 3 June 2020, be received.

Carried

Secretarial Note: Appreciation was extended to Northland Inc. Limited for its work during COVID-19 lockdown which was described as 'well above and beyond the call of duty'.

ID: A1326609

19

Council Meeting
16 June 2020

Receipt of Committee Minutes (Item 8.0)

ID: A1321159

Report from Chris Taylor, Governance Support Manager

Moved (Stolwerk/Macdonald)

That the unconfirmed minutes of the Civil Defence Emergency Management Group – Extraordinary meeting 16 April 2020 be received.

Carried

Secretarial Note: The Chair of the Civil Defence Emergency Management Group (CDEM) provided a verbal update on CDEM activities and key areas of focus.

Business with Public Excluded (Item 9.0)

Moved (Stolwerk/Blaikie)

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 - 19 May 2020	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting.
9.2	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).
9.3	Land and Leaseholders' Easement and Covenant Requests	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii) and the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).
9.4	Kaipara 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) 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).

ID: A1326609

20

Council Meeting
16 June 2020

3. That the Independent Advisors be permitted to stay during business with the public excluded.

Conclusion

The meeting concluded at 1.04pm.

TITLE: **Receipt of Action Sheet**

ID: A1336926

From: Chris Taylor, Governance Support Manager

Executive summary/Whakārapopotanga

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

Recommendation

That the action sheet be received.

Attachments/Ngā tapirihanga

Attachment 1: Council Action Sheet - July 2020 [↓](#)

Authorised by

Name: Chris Taylor

Title: Governance Support Manager

Date: 13 July 2020

Outstanding Actions as at 13/07/2020

Id	Meeting	Target Date	Description	Request Details	Most Recent Comment
5548	Council 17/03/2020	31/03/20	LGNZ Remits	That the two remits (regarding a four year electoral cycle and video conferencing) be presented to the next Zone 1 and Regional Sector meetings and subsequently the LGNZ AGM.	COMPLETE. The remit regarding the extended electoral cycle was submitted by the 5pm Tuesday 16 June 2020 deadline.
5652	Council 19/05/2020	2/06/20	Financial Report to 30 April 2020	That the finance team recommend a more frequent mechanism of financial reporting to council due to the rapidly changing environment.	COMPLETE. A draft financial report has been modelled. The financial situation will continue to be monitored to ascertain whether reporting needs to be modified.
5722	Council 16/06/2020	30/06/20	Working Party Updates and Chairpersons' Briefings	Attendance rates of TTMAC members to continue to be monitored to ensure the 50/50 elected member/TTMAC membership is working effectively.	COMPLETE/ONGOING. Attendance of TTMAC members is monitored.

TITLE: Working Party Updates and Chairpersons' Briefings

ID: A1338069

Recommendation

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

Climate Change Working Party

(Chair: Cr Amy Macdonald)

The Climate Change Working Party met on 17 June 2020. The topics for discussion included:

- Climate Change Strategy draft document
- Climate Change communications strategy
- Long term plan
- NRC Carbon Footprint.

Following discussion, the Climate Change Working Party agreed on the following next steps:

- Take draft strategy to TTMAC and seek approval for MTAG input to strategy
- Discuss Climate Change Joint Governance Group at next Northland Forward Together group meeting
- Investigate if we can resolve the timing of the invoicing to enable carbon footprint reporting to be done on a monthly basis.

Biosecurity and Biodiversity Working Party

(Chair: Cr Jack Crow)

The Biosecurity and Biodiversity Working Party met on 17 June 2020. The topics for discussion included:

- Biosecurity Operational Plan 2020/2021
- LTP Projects
- Feral Deer
- Whangarei Predator Free2050 Project Update
- Kauri Dieback Funding.

Following discussion, the Biosecurity and Biodiversity Working Party agreed on the following next steps:

- Talk to Mayoral Forum regarding dog predation
- TTMAC LTP process to be confirmed and distributed to members
- Draft a letter to Ministers for deer management co-funding with DOC.

Planning and Regulatory Working Party

(Chair: Cr Joce Yeoman)

The Working Party met on Wednesday 24 June 2020. The topics for discussion included:

- Regulatory Services Update
- NRC Forestry Monitoring Programmes
- Planning and Policy Work Programme
- Proposed Amendments to the NES for Air Quality Submission
- Update on Water Quality Plan Change
- Regional Plan Appeals

Following discussion, the Working Party agreed on the following next steps:

- Comments on the compliance and enforcement strategy to be fed back to the GM, Regulatory Services
- Refer the request for information on costings on data loggers to the Land and Water Working Party
- Report back to TTMAC on compliance monitoring with regard to forestry
- Comments on the Air Quality Submission to be fed back to the Policy Specialist.

Authorised by Group Manager

Name: Malcolm Nicolson
Title: Chief Executive Officer
Date: 14 July 2020

TITLE: Local Government Funding Agency: Becoming a Guaranteeing Member

ID: A1337004

From: Simon Crabb, Finance Manager

Executive summary/Whakarāpopototanga

It is proposed that council becomes a **guaranteeing member** of the New Zealand Local Government Funding Agency (LGFA) to obtain the borrowing capacity and agility to secure long term, low cost, loan funding in excess of \$20M for any large projects that may eventuate.

The potential risk of being a guarantor is that council will guarantee a proportion of the obligations of the LGFA. This proportion is based on a pro-rata of annual rates revenue. As an indication, as at June 2019, if council was a guarantor its share of the guarantee would be 0.43% (e.g. if the LGFA called \$100,000,000 under the guarantee, council would need to contribute \$430,000). This guarantee is enforceable regardless of council having any outstanding borrowings with LGFA.

Standards and Poor's have assessed the chances of the guarantee being called as "extremely low", with multiple forms of funding available to LGFA before the guarantee is used.

An independent analysis of the risk and benefits associated with becoming a guaranteeing member was undertaken by PricewaterhouseCoopers (PwC). The overall risk:benefit ratio was assessed as low risk with high benefit. The PwC report is attached as **Attachment 1**.

Council is required to enter into two accession deeds when becoming a guaranteeing member of LGFA. These documents will be reviewed by council's solicitors to confirm they are of standard form.

At March 2020, 66 councils have joined the LGFA with 54 of those councils as a guarantor council.

Recommendation(s)

1. That the report 'Local Government Funding Agency: Becoming a Guaranteeing Member' by Simon Crabb, Finance Manager and dated 7 July 2020, be received.
2. That council confirms its intention to become a guaranteeing local authority of the Local Government Funding Agency.
3. That council delegates authority to the Chief Executive to execute the following documents for the purposes of recommendation 2 above:
 - a. Security Stock Certificate (in relation to the Equity Commitment Deed);
 - b. Security Stock Certificate (in relation to the Guarantee and Indemnity);
 - c. Stock Issuance Certificate (in relation to the documents noted at recommendations 3a and 3b);
 - d. Chief Executive Certificate, and
 - e. Officer's Certificate.
4. That council authorise Penny Smart, Chair; and Councillor Colin Kitchen, Chair, Audit and Risk Subcommittee, to execute the following deeds for the purposes of recommendation 2. above:
 - a. Accession Deed to Guarantee and Indemnity; and
 - b. Accession Deed to Equity Commitment Deed.

5. That council authorises the Chief Executive to take any other steps on behalf of council as the Chief Executive considers necessary or desirable to execute to give effect to recommendation 2 above.
-

Background/Tuhinga

The New Zealand Local Government Funding Agency (LGFA) is an AA+ rated council-controlled organisation (CCO) that provides loan funding to the local government sector on terms that are more favourable than commercially available.

On 13 December 2016, council passed a resolution to join the LGFA scheme as a borrower and non-guarantor. As a non-guarantor member, council can borrow up to a maximum of NZ\$20,000,000 in aggregate from the LGFA.

It is proposed that council becomes a guaranteeing member of the LGFA.

Council consulted on becoming a guaranteeing member of the LGFA in the 2018–2028 Long Term Plan.

At the time of writing, council has total borrowings of \$14M with the LGFA and the borrowing rate of a 12-year loan for a guaranteeing member is 2.05% per annum. The comparable rate for a non-guarantor member is 2.15%.

Potential risk.

The potential risk to being a guarantor is council guarantees a proportion of the obligations of the LGFA. All guarantor councils share this risk on a pro-rata basis based on their annual rates revenue. As an indication, as at June 2019 if council was a guarantor its share of the guarantee would be 0.43%. This means if LGFA called \$100,000,000 under the guarantee, council would need to contribute \$430,000.

The guarantee would be enforceable even if council had no outstanding borrowings.

Standards and Poor's have assessed the chances of the guarantee being called as "extremely low", with multiple forms of funding available to LGFA before the guarantee is used.

LGFA have never had to call on guarantor councils for any of their obligations.

Council is guaranteeing the obligations of the LGFA only and not other councils. It is LGFA's view that if a council defaulted on its debt it would be unlikely to trigger a call under the guarantee. LGFA would put a Statutory Manager in place and then seek to recover the debt over time through a special rate. LGFA has plenty of access to liquidity so the fact that a council did not repay a loan would not create a problem for LGFA in terms of managing the cashflow.

Independent Assessment of Potential Risk

Alex Wondergem, a partner at PwC who specialises in Treasury Management and Debt Funding, was engaged by council staff to prepare a summary of the risks of becoming a guaranteeing member.

The overall risk:benefit ratio of becoming a LGFA guarantor was assessed as low risk with high benefits. The PwC report is attached as **Attachment 1**.

Legal Documents

To become a guaranteeing member council is required to enter into the following two deeds:

- Accession Deed to Guarantee and Indemnity; and
- Accession Deed to Equity Commitment Deed.

The effect of the Accession Deed to Guarantee and Indemnity is that council will become a guarantor under the Guarantee and Indemnity granted by various local authorities in favour of TEL Security Trustee (LGFA) Limited dated 7 December 2011 (as amended, supplemented or restated from time to time). The effect of the Accession Deed to Equity Commitment Deed is that council will commit to providing equity to LGFA in certain circumstances. These deeds will be drafted by LGFA's solicitors and their final form will be approved by council's solicitors prior to execution.

The deeds will require execution by two elected representatives.

The Chief Executive will be required to sign the applicable Chief Executive Certificate, two Security Stock Certificates, a stock issuance certificate and an officer's certificate.

This report and its recommendations were endorsed by the Audit and Risk Subcommittee in June 2020.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Become a guaranteeing member of the LGFA	Ability to source longer term debt in excess of \$20M (aggregated) will be available to council at a lower cost – providing certainty and savings for the community.	Become a party guaranteeing a portion of the indebtedness of the LGFA should the LGFA not met its obligations.
2	Do not become a guaranteeing member of the LGFA	Do not become a party guaranteeing a portion of the indebtedness of the LGFA.	<p>Council will need to obtain its debt in excess of \$20M (aggregated) via trading banks or a private placement.</p> <p>These options generally offer shorter term debt whereas longer term intergenerational debt matches closer with infrastructure expenditure.</p> <p>The borrowing cost of obtaining debt from trading banks or a private placement is typically higher than that sourced from the LGFA - this additional cost will be passed on to the community.</p>

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 council's Significance and Engagement Policy because it has previously been consulted on and is in accordance with the approved Treasury Management Policy.

3. Policy, risk management and legislative compliance

The activities detailed in this report are in accordance with council's Treasury Management Policy and the 2018–28 Long Term Plan.

4. Community views

Council consulted on becoming a guaranteeing member of the LGFA in the 2018–2028 Long Term Plan. Close to half (46%) of the submitters agreed with this proposal, while 26.5% disagreed with the proposal noting there should be caution when taking on more debt. The remaining submitters were neutral or selected "no option" to the proposal.

5. Financial implications

Borrowing in excess of \$20M in aggregate can be sourced, at a lower cost as a LGFA guaranteeing member than a non-guaranteeing member. The financial risk is council guarantees a proportion of the obligations of the LGFA if the LGFA cannot meet its financial obligations

Being a purely administrative matter Māori Impact Statement and Implementation Issues are not applicable.

Attachments/Ngā tapirihanga

Attachment 1: Pricewaterhouse Coopers Review of becoming a LGFA Guaranteeing member [↓](#)

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 15 July 2020



Northland Regional Council

To:	Simon Crabb
From:	Alex Wondergem
Date:	10 July 2020
Subject:	Becoming a Guaranteeing member of the LGFA

Becoming a guaranteeing member of the LGFA

We understand that Northland Regional Council (NRC) are considering raising additional external debt with the Local Government Funding Agency Limited (LGFA), providing a total outstanding debt amount with the LGFA in excess of \$20 million. As per the Foundation Policy requirements of the LGFA, once a member council passes through a threshold of \$20 million of borrowing through the LGFA, they are required to become a guaranteeing member of the LGFA.

The guaranteeing structure is in place to require guaranteeing members to guarantee the obligations of the LGFA. The guarantee provides for a proportionate liability based on the relative share of total rates revenue of all guarantors.. This is a key mitigating factor to the potential liability of NRC through becoming a guaranteeing member of the LGFA. The guarantee is enforceable even were NRC to have no outstanding borrowings with the LGFA unless specifically requested to be discharged Supporting the limited risk presented to NRC, Standard and Poor's recently made the following statement:

"The chances of the guarantee being called are extremely low, with multiple forms of funding available to LGFA before the guarantee is used".

Standard and Poor's currently ascribe a AA+ credit rating to the LGFA with a positive outlook (i.e. may improve to AAA, the highest possible credit rating). This credit rating implies a 0.15% probability of default over the next five years. Therefore, we would assess the risk of becoming a guaranteeing member of the LGFA as low. The benefit to NRC in becoming a guaranteeing member is a substantial increase in access to funding at the lowest possible borrowing costs for a New Zealand local authority. We would therefore assess there being a high degree of benefit in becoming a guaranteeing member of the LGFA.

PricewaterhouseCoopers, 188 Quay Street, Private Bag 92162, Auckland 1142, New Zealand
T: +64 9 355 8342, F: +64 9 355 8001, pwc.co.nz



What new documents will NRC become a party to?

In order to become a guaranteeing member council, NRC is required to subscribe to two additional legal documents (after a legal review). Below we provide some background information about those documents. There are two new documents that must be acceded to in order to become a guarantor under the LGFA scheme. These are:

- 1 The Guarantee and Indemnity; and
- 2 The Equity Commitment Deed.

The Guarantee and Indemnity document sets out the conditions under which NRC guarantees the indebtedness of the LGFA. We note that being party to the Guarantee is mandatory when borrowing more than \$20 million from the LGFA.

The Equity Commitment Deed details the mechanisms under which NRC can be called upon under certain circumstances to subscribe for shares in the LGFA (and thus increasing the LGFA's capital).

It is important that NRC read and understand these agreements before entering into them, as the obligations under these agreements are binding. There exists some comfort from 'safety in numbers' (66 member councils as at March 2020 and 54 guaranteeing members), and that other local authorities have had legal advice before entering into these agreements. However, we would note that the circumstances of each council are unique, and NRC should review these documents with their independent legal counsel with its individual circumstances in mind. Please note that the LGFA's legal advisers are Russell McVeagh, so different legal advisers are recommended.

Guarantee and Indemnity:

Under the Guarantee and Indemnity, a local authority guarantees a proportion of the indebtedness of the LGFA. The Guarantee and Indemnity should be considered carefully before being entered into as it creates a contingent liability for NRC. Clauses 2 and 3.1 set out the principal obligations.

There are, however, a number of factors that reduce the risk created by this contingent liability with the LGFA scheme having a number of safeguards built in, to reduce the risk of default and the Guarantee and Indemnity being called upon.

Clauses 3.4 to 3.5 of the Guarantee and Indemnity establish a system under which local authorities share this contingent liability on a pro-rata basis based on their annual rates income.



Under clause 10, the local authority grants a power of attorney to the Security Trustee. This approval should be considered based on NRC's specific approval procedures required for the granting of powers of attorney.

Clause 15 sets out the mechanics for exiting the Guarantee and Indemnity. NRC should note, in particular, that after exiting the Guarantee and Indemnity, a local authority continues to have a contingent liability for indebtedness of the LGFA incurred up to the date of exit. All NRC's outstanding debt would have been repaid upon exit.

Clause 2.3 contains an indemnity that should be considered if NRC have any specific approvals that need to be obtained or completed to grant such accommodations.

Equity Commitment Deed:

Under the Equity Commitment Deed, local authorities may be required to subscribe for Commitment Shares to top up the capital of the LGFA. Clause 4 sets out the conditions under which this option can be exercised.

Clause 6.1 sets out warranties that each local authority must provide. NRC should check that these warranties are able to be made.

Clause 9.5 contains an indemnity that should be considered in terms of the specific approvals or procedures that are needed to grant such dispensations.



Disclaimer

This memo is subject to the engagement letter dated 12 December 2012 and the following restrictions. It is a memo addressed to you Northland Regional Council.

This memo should not be reproduced or supplied to any other party without first obtaining our (PwC New Zealand) written consent. We accept no responsibility for any reliance that may be placed on our memo should it be used for any purpose other than that set out below and in any event we will accept no liability to any party other than you in respect of its contents. In the course of our work we have not verified any of the information provided to us by you, nor have we carried out anything in the nature of an audit. Accordingly, we express no opinion on the reliability, accuracy or completeness of the information provided to us and upon which we have relied. The statements and opinions contained in this memo are based on data obtained from the financial markets and are so contained in good faith and in the belief that such statements, opinions and data are not false or misleading. In preparing this memo, we have relied upon information which we believe to be reliable and accurate. We reserve the right (but will be under no obligation) to review our assessment and if we consider it necessary, to revise our opinion in the light of any information existing at the date of this memo which becomes known to us after that date. This memo must be read in its entirety. Individual sections of this report could be misleading if considered in isolation from each other.

TITLE: \$10M Loan Repayment

ID: A1336103

From: Simon Crabb, Finance Manager

Executive summary/Whakarāpopototanga

Council currently has total external borrowings of \$19.6M made up of four loans with the Local Government Funding Agency (LGFA) totalling \$9.6M, and one loan of \$10M acquired from corporate investors. The corporate loan of \$10M taken out in 2015 is set to mature and be repaid on 13 August 2020.

It is proposed that the \$10M corporate loan is repaid and a subsequent loan of \$4.4M is taken with the LGFA. The borrowing reduction of \$5.6M represents the Net Funds held by council that are dedicated to repaying debt.

Recommendation(s)

1. That the report ' \$10M Loan Repayment ' by Simon Crabb, Finance Manager and dated 6 July 2020, be received.
2. That council takes a loan with the Local Government Funding Agency of up to \$4,425,837 (inclusive of 2.5% Borrower Notes), maturing in April 2033, at a fixed borrowing cost in the range of 1.95% pa and 2.25% pa.
3. That \$6,283,803 of funding held to repay debt is withdrawn from the Long-Term Investment Fund in accordance with a recommendation from EriksensGlobal.
4. That \$598,994 of borrowed funds is deposited into council's working capital to reimburse river scheme capex costs incurred in 2019/20.

Background/Tuhinga

Council currently has total external borrowings of \$19.6M made up of four loans with the LGFA totalling \$9.6M, and one loan of \$10M acquired from corporate investors.

The corporate loan of \$10M was taken out for five years in 2015, and is set to mature and be repaid on 13 August 2020.

The targeted rates collected to repay the \$10M loan were set over a period ranging from 25 to 60 years to provide a level of affordability and intergenerational equity to the affected communities. The \$10M has not been fully recovered yet, and there remains a level of debt owing from the affected communities and still to be collected via future targeted rates.

In addition, there has been capital river works of \$2,222,953 undertaken during the 2019/20 financial year. These capital works were funded by targeted rates of \$1,623,959 collected in 2019/20 and council's working capital of \$598,994. The working capital component needs to be reimbursed from debt funding.

Council also holds a charitable donation of \$548,786 received from Northland Emergency Services Trust (NEST) in the Long-Term Investment Fund. These funds are also dedicated to repaying debt.

Thus, it is proposed that council's total borrowings are reduced by \$5,574,163 to \$13,983,837 on 13 August 2020 as illustrated in Table 1.

Table 1		
Borrowing 30 June 2020:		\$19,558,000
Historical Targeted Rates (held in LTF- IIF)	-\$1,922,389	
Marsden Point Rail Link Propertyys (held in LTF-IIF)	-\$3,812,628	
NEST Charitable Donation (held in LTF-IIF)	-\$548,786	
2019-2020 River Works not borrowed yet	\$598,994	
Additional LGFA Borrower notes on new loan	\$110,646	
Total Repayment with funds held		-\$5,574,163
Revised Borrowing 13 August 2020		\$13,983,837

The revised borrowing of \$13,983,837 will be allocated as presented in Table 2.

Table 2		
Awanui River Works		\$609,198
Whangarei Urban River Works		\$8,610,626
Regional wide River Works		\$1,299,112
NEST loan ¹		\$3,201,214
Borrower Notes Retained by LGFA		\$263,687
Targeted Rates collect & held for repaying Debt		\$0
Total Allocation of Borrowing ²		\$13,983,837

¹ The remaining Nest loan will be repaid from the proceeds owing from Northland Emergency Services Trust (NEST) due in May 2023.

² Values are subject to change slightly upon finalising the year end accounts.

All the projects listed in Table 2 have a dedicated funding source that will be collected over time to ensure all of council's borrowing will be totally repaid.

It should be noted that the outstanding amounts pertaining to the river works projects are tracked and recorded in individual reserves within council's financial information system.

The sequence of events required to repay the \$10M corporate loan and initiate a new LGFA loan of \$4,425,837 (representing a reduction in debt of \$5,574,163) is presented in Table 3.

Table 3		
Repayment Sequence		
1 Submit Paperwork for New Loan from LGFA	6/08/2020	\$4,425,837
2 Receive Loan Funding ex LGFA	7/08/2020	\$4,315,191
3 Withdraw Funds from the LTF-IIF ³	7/08/2020	\$6,283,803
4 Repay Corporate Loan	13/08/2020	-\$10,000,000
5 Reimburse Working Capital for the 19-20 River Work	13/08/2020	-\$598,994
Total New Loan Taken from LGFA		\$4,425,837

³ The withdrawal from the Long-Term Investment Fund (LTF-IIF) of \$6,283,803 comprises the historical Targeted River Rates collected to repay debt (\$1,922,389), the borrowings allocated to the purchase of Marsden Point rail link properties (\$3,812,628), and the NEST Charitable Donation (\$548,786).

Following the completion of the transactions listed in Table 3, council's overall borrowings will be \$13,983,837, and structured as per Table 4.

Table 4.		
Borrowing Structure		
2020 Corporate Loan (repaid in Aug 2020)		\$0
2032 LGFA Fixed Coupon Bond		\$2,800,000
2033 LGFA Fixed Coupon Bond		\$3,811,000
2033 LGFA Fixed Coupon Bond		\$1,931,000
2033 LGFA Fixed Coupon Bond		\$1,016,000
New LGFA - to be Drawdown in Aug 2020		\$4,425,837
Total Borrowings		\$13,983,837

The borrowing rate of the \$10M corporate loan being repaid is 3.79% pa. At the time of writing the borrowing rate of a new loan with the LGFA is 2.15% pa as non-guarantor, and 2.05% pa as a guarantor. The benefits generated from a lower borrowing rate and subsequent lower project cost are directed back to the community in one of two ways:

1. Maintaining the targeted rates at current levels and repaying the overall project cost earlier – reducing the burden on future generations.
2. Reducing the targeted rate and continuing to schedule rate collection and a repayment date as originally planned – preserving equity among generations.

The choice between these two options can be made when calculating and setting the applicable targeted rate in the Long Term Plan.

All values presented in this report are subject to change slightly as the year end accounts are finalised and reviewed.

This report and its recommendations were endorsed by the Audit and Risk Subcommittee in June 2020.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Repay the \$10M corporate loan with: funds held to repay debt and the funding received from a new LGFA loan.	<p>Provide the community the benefit of securing a lower borrowing rate.</p> <p>Complies with the objective of council's financial strategy to collect and hold targeted rates to repay loans when they fall due.</p> <p>Aligns the overall level of external debt to the balance owing on council's infrastructure projects and the NEST loan.</p>	<p>The disadvantage of locking in a borrowing rate until April 2033 is that council will not benefit should borrowing rates decline in the future.</p>

2	Repay the \$10M corporate loan with: funds held to repay debt and the residual funding withdrawn from council's investments (i.e. no new loan taken).	Maintain borrowing capacity for future debt funded projects.	To recover the gains foregone on the investment withdrawn as residual funding, an internal rate of borrowing would apply at a higher rate than can be secured from the LGFA – ultimately disadvantaging the community.
3	Repay the \$10M corporate loan with: 100% LGFA loan funding (i.e. do not utilise surplus rates collected and earmarked to repay debt).	Retain a higher balance of investment in the Long-Term Fund in an endeavour to generate greater investment gains. Aligns the overall level of external debt to the balance owing on council's infrastructure projects and the NEST loan.	Does not conform with the objective of council's financial strategy to collect, hold and use targeted rates to repay loans when they fall due. Funds held in the Long-Term Fund are subject to volatility.

The staff's recommended option is 1 to comply with the prescribed approach in council's financial strategy.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is provided for in council's 2020/21 Annual Plan and is in accordance with the approved Treasury Management Policy.

3. Policy, risk management and legislative compliance

The activities detailed in this report are in accordance with council's Treasury Management Policy, the 2018–28 Long Term Plan and the 2020/21 Annual Plan.

4. Financial implications

The benefits generated from a lower borrowing rate and subsequent lower project cost are directed back to the community in one of two ways:

1. Maintaining the targeted rates at current levels and repaying the overall project cost earlier – reducing the burden on future generations.
2. Reducing the targeted rate and continuing a repayment date as originally scheduled – preserving equity among generations.

The choice between the two options can be made when calculating and setting the applicable targeted rate in the Long Term Plan.

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

Attachments/Ngā tapirihanga

Nil

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 15 July 2020

TITLE: Interest Rate for Special Reserves in Surplus

ID: A1333488

From: Vincent McColl, Financial Accountant

Executive summary/Whakarāpopototanga

This report proposes changing the interest rate applied to reserve balances in excess of \$50,000 surplus

- from 5% as budgeted in the LTP
- to the Short-Term Fund (STF) Investment objective of the 90-day bank bill rate plus 3% per annum. Set at 1 July of each financial year starting from 1 July 2020.

This has been endorsed by the Audit and Risk Subcommittee and is coming to council for the first time.

Recommendation(s)

1. That the report 'Interest Rate for Special Reserves in Surplus' by Vincent McColl, Financial Accountant and dated 29 June 2020, be received.
2. That council approve the use of the 90-day bank bill rate plus 3% per annum to calculate the interest attributable to special reserves with balances in excess of \$50,000, reset annually on 1 July starting from 1 July 2020.

Background/Tuhinga

In council's Long Term Plan (LTP) it specifies a budgeted internal interest rate of 5% for reserves in surplus (or in credit) of \$50,000 or higher.

This paper recommends that the rate used instead be matched to the STF Statement of Investment Policy and Objectives (SIPO) investment objective of the 90-day bank bill rate plus 3% per annum. For the 2019/20 financial year, this would equate to 4.6% (1.6% + 3%). For the 2020/21 financial year we expected this to equate to 3.25% (0.25% + 3%).

This rate will be reset on 1 July of each financial year starting from 1 July 2020.

The Audit and Risk Subcommittee endorsed the recommendations in this report going to full council at the 24 June 2020 meeting.

The reserve balances in excess of \$50,000 surplus as at the end of May 2020 are:

- Kāeo River Reserve
- Sporting Facilities Reserve
- Hātea River Reserve
- Waipapa Kerikeri River Reserve
- Far North Transport Reserve
- Emergency Services Reserve.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Approve the application of 90-day bank bill rate plus 3% per annum when calculating the interest attributable to special reserves with balances in excess of \$50,000 starting at 1 July 2020	In line with expected returns from where the cash is held.	Slightly lowers interest being gained by unspent reserve funds.
2	Leave the interest rate at the LTP rate of 5%	Surplus reserves receive marginally more money for surplus balances that can be used on later works.	Encourages rating and holding of funds rather than doing the work the money was collected for.

The staff's recommendation is option 1.

2. Significance and engagement

The specifying of internal interest rates is considered to be of low significance because it is part of council's day to day activities.

3. Policy, risk management and legislative compliance

Council's decision to apply interest at a specified rate to surplus reserve funds is consistent with council's policy and legislative requirements.

4. Financial implications

Lowering the interest gained by reserves in surplus would have a negative impact on the affected special reserves and a positive impact on council's net surplus after transfers to reserves.

Further considerations

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

Attachments/Ngā tapirihanga

Nil

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 15 July 2020

TITLE: National Environmental Standards - Air Quality

ID: A1335632

From: Michael Payne, Policy Specialist

Executive Summary | Whakarāpopototanga

The Ministry for the Environment is seeking feedback on proposed amendments to National Environmental Standards for Air Quality. This paper provides an overview of the proposed amendments. A draft submission has been appended to this item for council's consideration.

Recommendations | Tūtohutanga

1. That the report 'National Environmental Standards - Air Quality' by Michael Payne, Policy Specialist and dated 3 July 2020, be received.
2. That council approve the draft submission attached, pertaining to Item 7.1 of the 21 July 2020 council agenda (subject to any amendments directed by council).
3. That the Chief Executive Officer be authorised to make any necessary minor drafting, typographical, rounding or presentation corrections and to sign the submission on behalf of council prior to it being lodged with the Ministry for the Environment.

Background | Tuhinga

The Government is seeking feedback on its proposed amendments to some provisions of the National Environmental Standards for Air Quality. The aim of the amendments is to better control the release of fine particles into our air.

The proposed amendments also include controls on mercury emissions. These amendments are intended to help meet New Zealand's obligations under the Minamata Convention on Mercury.

Particulate matter

Particulate matter (PM) is a collective term for solid and liquid particles suspended in the air and small enough to be inhaled. PM varies greatly in structure and chemical composition, depending on where it comes from. It also varies in the harm it can cause.

PM comes from human activities and natural sources. It is often classified according to its size because size determines how PM interacts with the environment and human body.

- PM₁₀ has a diameter of 10 micrometres (µm) or less.
- PM_{2.5} has a diameter of less than 2.5 µm and is a subset of the PM₁₀ range.

Exposure to particulate matter can cause disease and premature death from respiratory and cardiovascular causes, cause lung cancer, and exacerbate asthma and emphysema. These fine particles are mainly created by human activities.

Research shows that particles in the air smaller than 2.5 micrometres in diameter (PM_{2.5}) are more hazardous to people's health than coarse, larger particles (particles in the PM_{2.5-10} range) (World Health Organization, 2013). In New Zealand, the main source of PM_{2.5} is burning wood and coal for home heating during winter.

The key changes proposed for the NES for particulate matter are:

- Introducing PM_{2.5} as the primary regulatory tool to manage ambient particulate matter and establish both a daily and an annual standard for PM_{2.5} (fine particulate matter).
- Retaining the PM₁₀ standard for managing potential issues for coarse particulates.

- An air shed would be considered “polluted” if it exceeds a specified PM_{2.5} threshold. This is currently determined based on a PM₁₀ threshold.
- All new domestic solid-fuel burners (fireplaces, etc.) installed on properties less than 2 hectares will need to meet a stricter emissions standard. All burners that are currently on the market are already designed to meet the new standard.

Mercury emissions

New Zealand signed the Minamata Convention on Mercury in 2013 but has not yet ratified it. To address the obligations under Articles 5(6) and 8 of the Convention, and take one of the steps to ratify the Convention, we propose two amendments to the NESAQ:

- Prohibit the use of mercury in certain, listed processes. These have not been carried out in New Zealand, and they are not likely to be as technology has improved, removing the need for mercury.
- New activities involving emissions of mercury to air are required to obtain resource consent. The intention is for councils to consider the need to apply international best practice guidance to manage the emission of mercury to air.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Lodge a submission with the Ministry for the Environment	The Ministry is aware of Northland Regional Council’s views and the impact of the proposed changes on Northland.	Nil
2	Do not lodge a submission with the Ministry for the Environment	Nil	The Ministry is not aware of Northland Regional Council’s view on the proposed changes or the potential costs and benefits to Northland.

The staff’s recommended option is that council adopt Option 1 – lodge a submission on the proposed amendments to the National Environmental Standards for Air Quality.

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 decision is consistent with policy and legislative requirements, and no significant corporate risks are identified under the Risk Management Policy.

Further considerations

Community Views, Māori Impact Statement, Financial Implications and Implementation Issues

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

Attachments/Ngā tapirihanga

Attachment 1: Submission - Proposed amendments to the National Environmental Standards for Air Quality [↓](#)

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Strategy, Governance and Engagement
Date: 15 July 2020



Submission

To: Ministry for the Environment
AirQualityNESsubmissions@mfe.govt.nz

By: Northland Regional Council

On: Proposed amendments to the National Environmental Standards for Air Quality

1. INTRODUCTION

- 1.1. Northland Regional Council (NRC) is grateful for the opportunity to comment on the Proposed National Environmental Standard for the proposed amendments to the National Environmental Standards for Air Quality (Proposed NES). NRC's submission is made in the interest of promoting the sustainable management of Northland's natural and physical resources and the social, economic, and cultural wellbeing of its people and communities. Council welcomes the intent of the Proposed NES and considers it will be an improvement over the status quo.

2. BACKGROUND

- 2.1. NRC generally supports the proposed amendments and considers the issue warrants intervention in the form of national standards given a consistent regulatory framework will provide an efficient means to manage the issues across New Zealand.
- 2.2. Northland has a land area of approximately 13,290 km² with a population of around 188,000 people. There are five gazetted air sheds in the region (Marsden Point, Whangārei, Dargaville, Kerikeri and Kaitaia), with the rest of the region being treated as an additional airshed under the operative NES. A map of the airsheds has been appended to this submission as **Appendix A**.
- 2.3. Air Quality in Northland is generally good and there are currently no airsheds that would be considered polluted under the operative National Environmental Standards for Air Quality (NESAQ).

3. SUBMISSION

- 3.1. **Introduction of PM_{2.5}:** NRC strongly supports the amendments to introduce PM_{2.5} as the primary instrument for managing particulate matter in the Proposed NES. The amendment

more effectively focuses the NESAQ on human health effects which is councils foremost concern in respect to the discharge of particulate matter to air.

- 3.2. **PM₁₀:** The amendments, as proposed, retains the PM₁₀ standard and a number of corresponding provisions. In our opinion, the benefits of retaining the PM₁₀ standard are outweighed by the cost to councils in monitoring PM₁₀ and PM_{2.5}. We are, therefore, of the view that the PM₁₀ standard should be removed from the Proposed NES.

NRC currently operates two permeant air quality monitoring stations and one mobile monitoring station. NRC operates four Beta Attenuation Monitor (BAM) monitors that have the ability to monitor one parameter at a time. Requiring councils to monitor both PM₁₀ and PM_{2.5} effectivity doubles our monitoring requirements. In all likelihood the amendments, if adopted, will require council to purchase additional monitoring equipment.

We note that the cost benefit analysis¹ states that the cost incurred by council would be \$65,000. The estimates NRC have received are:

- Cap ex to commission a NES compliant BAM monitor: \$70, 000 – \$100, 000 per site
- Operational costs: \$ 12,000 per annum

To maintain our current standard of monitoring council would need to commission an additional instrument at Ruakaka and commission an additional mobile instrument at a start-up cost of around \$160,000 and running costs of around \$24,000 per annum. This equates to a 0.8% increase in rates.

It is our understanding that one reason given in support of retaining PM₁₀ standards is that the existing PM₁₀ data sets will continue to be relevant and we will be able to use this data to changes in air quality over time. While we do not think it is necessary to retain a PM₁₀ standard in the NESAQ we do see some benefit in being able to draw on the historic PM₁₀ data.

In our view it would be beneficial to remove the PM₁₀ standards and provide a transitional period over which PM₁₀ and PM_{2.5} data could both be monitored for a particular site. PM_{2.5} and PM₁₀ data could then be calibrated and trends for PM_{2.5} can be drawn from the historic PM₁₀ data sets. By doing this historic data remains relevant and councils avoid the long-term costs of monitoring multiple parameters.

- 3.3. **Monitoring Airsheds:** The operative NESAQ requires council to monitor an airshed “if it is likely that the ambient air quality standard for a contaminant will be breached”². It is unclear whether the Ministry intends to retain the current approach or introduce a new regime that requires NESAQ compliant monitoring in all gazetted air sheds.

¹ <https://www.mfe.govt.nz/sites/default/files/media/Air/air-quality-cost-benefit-analysis-review-of-nes-air-quality-policy-options.pdf>

² Regulation 15

Council currently operates NESAQ compliant monitoring in Whangārei and Marsden Point Airsheds because they were identified as the highest risk airsheds. It is not likely that a standard will be breached in Dargaville, Kerikeri or Kaitāia air sheds in Northland. This is confirmed by data collected by our mobile BAM which council has operated for a year at a time in each of the three airsheds that do not have a permanent monitoring station.

NRC supports the current approach that requires monitoring where a standard is likely to be breached. In our view this is a pragmatic approach.

Council would be concerned if the Ministry was to support NESAQ compliant monitoring in all airsheds. To meet this requirement, we would need to purchase additional equipment which is currently not budgeted:

- Cap ex to commission NES compliant BAM monitors: \$210,000 – \$300,000
- Operational costs: \$36,000 per annum

NRC currently allocates \$70,000 per annum for capital expenditure and operational costs (excluding staff time) to monitor air quality. If it is adopted, the requirement to monitor all airsheds would represent a significant increase in our air quality monitoring costs and would equate to a 1.1% increase in rates.

Dust from unsealed roads

- 3.4. Dust from unsealed roads is a seasonal issue experienced in many rural areas throughout New Zealand. In Northland many rural communities located away from the state highway network are served by unsealed local roads. Altogether, nearly 60% of Northland's 3,481Km of local roads are unsealed. There is growing concern from residents over the effects of dust from unsealed roads.
- 3.5. We note that climate change is predicted increase the frequency and duration of dry periods in Northland.
- 3.6. Though historically unsealed roads have only carried low volumes of traffic, in recent years there has been a significant increase in the number of heavy vehicles, particularly associated with increased forest harvesting.
- 3.7. The steady increase in forestry harvesting, whilst beneficial to the region in terms of employment in the primary sector, has been met with concern by our rural communities located close to unsealed roads through the increase in logging trucks and associated adverse health and environmental effects of dust 'generated' by those trucks.
- 3.8. The problem is most acute in the drier part of the year (from December through to March) and in recent years, community concern has manifested into complaints to both the regional and district councils, protests and even blockades of affected roads.
- 3.9. We note that climate change is predicted increase the frequency and duration of dry periods in Northland. Without intervention, dust from unsealed roads will continue to be an issue into the future.

- 3.10. Following this increased concern, the district councils, regional council, NZ Transport Agency and Northland District Health Board worked together to produce a Regional Dust from Unsealed Roads Mitigation Framework in 2014. The framework sets out the roles and responsibilities for each agency. NRC, to fulfil its role under the framework, undertakes regular summer roadside temporary dust monitoring and shares these results with the district councils. This information is used to help prioritise sites for dust treatment / mitigation.
- 3.11. To date it has been unclear whether the NESAQ is intended to apply to the discharge of dust from unsealed roads. A review of the literature surrounding the development of the NESAQ indicates that class of discharge was not expressly considered. For example, the Proposed NESAQ Section 32 Report May 2004 contained no reference to dust from unsealed roads as being an issue that the NESAQ was anticipated to address. Rather the focus was on open fires, poorly performing wood burners or high traffic density in defined urban areas. It would be helpful for the NES or guidance documents to make it clear whether the NESAQ applies to road dust.
- 3.12. In addition, if the Ministry considers that the NESAQ does apply to dust from unsealed roads, there are some practical matters in respect to enforcement that need to be considered. S.13 states:

13 Ambient air quality standards

(1) The ambient air quality standard for a contaminant specified in the first column of the table in [Schedule 1](#) is that the contaminant must not exceed its threshold concentration in an airshed unless the exceedance is a permissible exceedance.

- 3.13. If a standard is breached there are a range of tools available in the RMA to compel a discharger to comply with the NESAQ standards. However, in the case of dust from unsealed roads, undertaking enforcement action is problematic. The question that arises is, who is the subject of enforcement action (the district council or road user) and to what effect?
- 3.14. It must be recognised that local funding for road sealing and dust mitigation is **limited** and although funding can be sourced nationally through district council's applications using NZ Transport Agency's 'General Circular Investment No, 16/04 (which outlines criteria for dust mitigation assistance through the National Land Transport Fund), funding is only likely to be available to roads in the 'high' dust risk category. Our understanding is that many roads affected by dust struggle to meet this category.
- 3.15. **Practicalities on managing breaches through the RMA and the NESAQ:** S.17 requires that regional councils decline resource consents in 'polluted airsheds' (those airsheds where meaningful 12-month data is collected and more than one exceedance per year is recorded). This requirement applies equally in Northland's 5 gazetted airsheds and the rest of the region which, under the proposed NES, is considered to be a single airshed. We support measures to improve air quality in "polluted airsheds". However, there are some practical issues when the requirements of S.17 are applied outside gazetted airsheds. For instance, there would be unreasonable and of little benefit to decline resource consent for discharges containing PM₁₀

or PM_{2.5} across the region, bearing in mind that most of Northland considered to be a single un-gazetted airshed, when the exceedance is located at a remote rural site affected intermittently by road dust (if the NESAQ was to apply to dust from unsealed roads). In practice this could impose restrictions on activities hundreds of kilometres away from the site where a standard is breached.

- 3.16. One option that the Ministry may wish to consider resolving this issue is restricting the resource consent provisions in S.17 to gazetted airsheds.

4. Conclusion

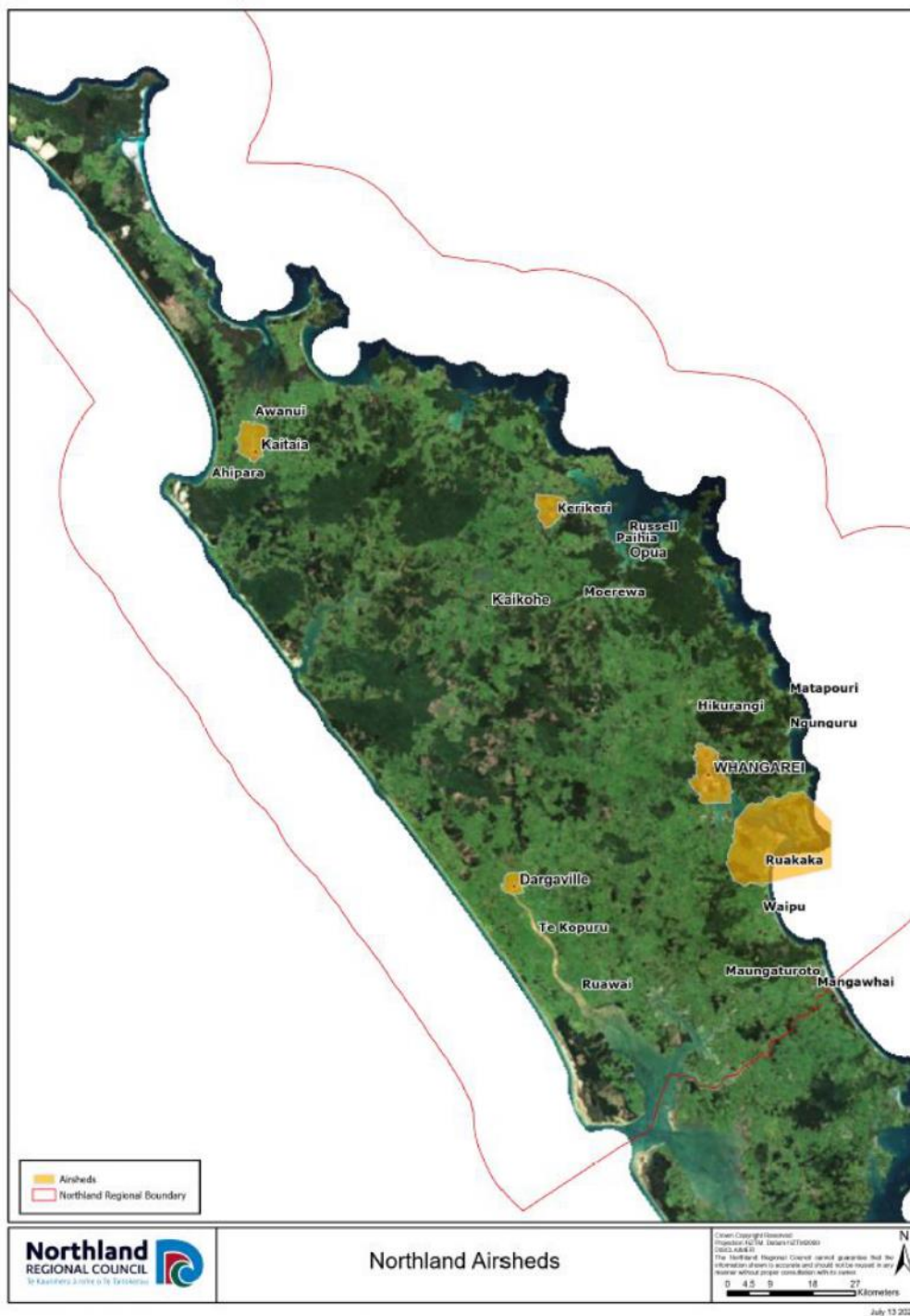
- 4.1. We thank the Ministry for opportunity to comment of the Proposed NES. As noted above we support the intent and proposals in the consultation document (subject to the comments above). We welcome the opportunity to discuss this matter further and invite the Ministry to contact NRC staff.

Signed on behalf of Northland Regional Council

Malcolm Nicolson (Chief Executive Officer)

Dated: xx July 2020

Appendix A



TITLE: Northland Regional Pest and Marine Pathway Operational Plan 2020-2021

ID: A1336293

From: Don McKenzie, Biosecurity Manager

Executive summary/Whakarāpopototanga

The **attached** draft Operational Plan has been prepared as a requirement of the Biosecurity Act 1993 section 100B and should be read in conjunction with the Northland Regional Pest and Marine Pathway Management Plan 2017-2027 (*hereafter referred to as the Pest Plan*). It includes all species listed in the Pest Plan and describes how biosecurity programmes will be implemented during the 2020/2021 financial year.

A scan of past Operational Plans from Auckland Council, Waikato, Bay of Plenty and Wellington Regional Councils was undertaken as part of the review of Northland's current plan and in preparation for the revised 2020/2021 plan. Section 100b does not set any specific requirements or standards for these plans and there is wide variation on their content and style between regions. In some instances, performance measures are set out in the Pest Plan rather than the Operational Plan and in other cases measures of success are reported using a spreadsheet rather than report style. All have indicators of operational progress, performance measures or an evaluation of project delivery.

The Northland Operational Plan aims to be concise and accurately reflect the content of the Pest Plan. Reviews of the Operational Plan can be undertaken during the year, and staff believe this will be important as new government funding becomes clearer and the extent of current programmes of Predator Free 2050 and wilding conifers are confirmed.

Section 100b also establishes that the Operational Plan will be completed within three months of the end of the financial year. The councils surveyed above do not have plans prepared for 2020/2021 and Northland Regional Council is the first to consider the implementation of an Operational Plan for 2020/2021.

Recommendation(s)

1. That the report 'Northland Regional Pest and Marine Pathway Operational Plan 2020-2021' by Don McKenzie, Biosecurity Manager and dated 6 July 2020, be received.
 2. That council approve the Northland Regional Pest and Marine Pathway Operational Plan 2020-2021.
 3. That council authorises the GM Environmental Services to make any necessary minor drafting, typographical, rounding, or presentation corrections to the Northland Regional Pest and Marine Pathway Operational Plan 2020-2021.
-

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Council approves the whole Operational Plan	Implementation of the rules and activities can proceed under the revised plan.	Nil
2	Council may request amendments on the grounds that the Operational Plan is inconsistent with the Pest Plan	Improved consistency with the Pest Plan is achieved.	The process for their confirmation by council will cause delays in implementation.

The staff's recommended option is Option 1.

2. Significance and engagement

In relation to section 100b this decision is considered to be of low significance when assessed against the council's Significance and Engagement Policy because the pest plan has previously been consulted on. This decision concerns its implementation and is provided for in council's Long Term Plan and is part of council's day to day activities. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council is able to make decisions relating to this matter without undertaking further consultation or engagement.

3. Policy, risk management and legislative compliance

The Operational Plan is consistent with the requirements of the Biosecurity Act 1993, section 100b and is consistent with the Pest Plan. This decision is an operational matter and assessed as a minor administrative matter to council.

Further considerations

4. Financial implications

Budget for implementation is allocated as part of the current Long Term Plan and Annual Plan. Significant additional funding from Predator Free 2050 and Wilding Conifer programme is predicted to be funded via external agencies during the year and decisions on new government funding for additional biosecurity projects in Northland have not been finalised. Regular review of the Operational Plan will be undertaken as additional and external funding allocations are confirmed.

5. Implementation issues

There are no barriers to implementation of the current plan at this stage.

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

Attachments/Ngā tapirihanga

Attachment 1: 2020-2021 Biosecurity Operational Plan - draft 2 (as at 08-07-2020) (A1294694) [↓](#)

Authorised by Group Manager

Name: Bruce Howse
Title: Group Manager - Environmental Services
Date: 14 July 2020



Northland Regional Pest and Marine Pathway Management Plan 2017-2027

Operational Plan 2020-2021

DRAFT 2 8 July 2020

Draft 2

*Cover photo: A Northern Brown Kiwi chick nestles under its father in their burrow near Ruatangata.
(Pete Graham)*

Draft 2

Table of Contents

1.	INTRODUCTION	5
2.	IMPLEMENTATION PROGRAMMES	6
3.	PESTS IN THE PLAN	7
4.	FINANCIAL SUMMARY	10
5.	TEAM KEY PERFORMANCE MEASURES	11
6.	PEST PLANTS	12
6.1	Exclusion Plants	12
6.2	Eradication Plants	12
6.3	Progressive Containment Plants.....	13
6.4	Sustained Control Plants	14
7.	PEST ANIMALS.....	15
7.1	Exclusion Animals	15
7.2	Eradication Animals	15
7.3	Sustained Control Animals	16
8.	DISEASES AND PATHOGENS	17
8.1	Implementation	17
9.	FRESHWATER PESTS	19
9.1	Exclusion Freshwater Pests	19
9.2	Eradication Freshwater Pests	19
9.3	Progressive Containment Freshwater Pests.....	20
9.4	Sustained Control Freshwater Pests.....	20
10.	MARINE PATHWAYS MANAGEMENT PLAN (MPMP)	21
10.1	Background of the Marine Pathway Plan	21
10.2	How Will the Programme Be Implemented?	21
10.3	Programme Costs	22
10.4	Performance Targets and Measures	22
11.	OPERATIONAL PLAN REPORTING	23
12.	OPERATIONAL PLAN REVIEW	23

Draft 2

This page is left blank.

Draft 2

1. INTRODUCTION

Background

The Northland Regional Council (council) is the management agency responsible for developing and implementing the Northland Regional Pest and Marine Pathway Management Plan 2017-2027 (the *Pest Plan*) in accordance with the Biosecurity Act 1993.

The Pest plan is a combination of the eradication or effective management of specified pests or groups of pests, and a marine pathway plan which is designed to prevent and manage the spread of harmful marine organisms via boat hull fouling within Northland coastal waters.

The Pest plan describes the biosecurity activities that will be undertaken throughout Northland and outlines the management or eradication of specific organisms and/or marine pest pathways. Doing so will:

- minimise the actual or potential adverse or unintended effects associated with these organisms and/or pathways, and,
- maximise the effectiveness of individual actions in managing pests or pathways through a regionally coordinated approach

Linkage to the Regional Pest and Marine Pathway Management Plan 2017-2027 (hereafter referred to as the “Pest Plan”)

This operational plan has been prepared as a requirement of the Biosecurity Act 1993 section 100B and should be read in conjunction with the Pest Plan. It includes all species listed in the Pest Plan.

Linkage to Long Term Plan 2018-2028

This operational plan is integrated with council’s Annual and Long Term plans which prescribes the funding and resources allocated to the programmes within this operational plan.

Council's Long Term Plan (2018-2028) maintains a focus on pest management activities in Northland. The plan states that the council will provide the services of:

- Reducing the impact of introduced pests on the environment, economic and social values;
- Protecting the health of forests and lakes through effective regional pest control; and
- Promoting community involvement in pest management, including tangata whenua, communities, district councils and other stakeholders.

Purpose of the Operational Plan

This operational plan describes the nature and scope of activities the Council intends to undertake in the implementation of the Pest Plan for the period 1 July 2020 – 30 June 2021. For full details of pest management objectives, aims, principle measures to manage pests, and pest management rules, please refer to the Pest Plan.

Draft 2

2. IMPLEMENTATION PROGRAMMES

Exclusion Pests

Section 100V of the Act may be used to investigate emergency control of new incursions of pests that are not otherwise listed in the Pest plan.

Eradication of infestations of the exclusion plants will be attempted by the council in conjunction with other agencies such as MPI and DOC and Auckland council.

Eradication Pests

The intermediate outcome is to eradicate the pest in an area. In the short to medium term, infestation levels will be reduced to the point where it becomes difficult to detect the pest.

Progressive Containment Pests

The intermediate outcome is to contain and reduce the geographic distribution of the pest to an area over time. Progressive containment pests are those where a pest is at high densities in parts of Northland, but of low extent or limited range. Eradication is not feasible, but it is feasible to prevent the pest from spreading to other parts of Northland or to eradicate the pest from other parts of Northland.

- Existing populations will be monitored and, where appropriate, systems set in place to prevent further spread.
- New technologies and methods will be investigated and introduced where possible.

Sustained Control Pests

Note: Excludes marine sustained control pests - these are described under a separate section.

The intermediate outcome is to provide for the sustained control of the pest to a level where external impacts are manageable. The focus is on ensuring densities do not reach a level where they are causing significant impacts.

Biodiversity restoration projects controlling sustained control pests are generally managed outside the plan through Biosecurity Partnership Programmes.

Marine Pathway Management Plan

In 2012 an amendment to the Biosecurity Act 1993 added Pathway Management Plans as a legislative option to control the spread of pests in New Zealand. This operational plan includes both the Marine Pathway Management Plan AND the Marine Sustained Control species listed in the Regional Pest and Marine Pathway Management Plan 2017-2017. Both these programmes of work make up the Marine Biosecurity Programme for Northland undertaken by the Northland Regional Council. This plan has been prepared as a requirement of the Biosecurity Act 1993 section 100B.

Draft 2

3. PESTS IN THE PLAN

Number of Pest Species in the Plan

Type of Pest	Number of Species (or groups of species) in the Pest Plan				
	Exclusion	Eradication	Progressive Control	Sustained Control	Banned from sale or distribution
Plants	13	21	5	15	37
Animals	8	3		9	
Diseases				1	
Fresh water	3	8	3	2	
Marine				7	

Pest Species in the Plan

A breakdown of the pests included in the Pest Plan is detailed overleaf.

Draft 2

Species included in the Pest Plan

Pest Type	Exclusion Species	Eradication Species	Progressive Containment
Plants	Asiatic knotweed Chinese knotweed Climbing spindle berry Giant hogweed Giant knotweed Holly-leaved senecio Houttuynia Noogoora bur Old man's beard Phragmites Purple loosestrife Sea Spurge Velvet leaf	Akebia Balloon vine Bat-wing passionflower Cape tulip Cathedral bells Chilean rhubarb Evergreen buckthorn Field horsetail Firethorn Gypsywort Lesser knotweed Mexican feather grass Mickey mouse plant Monkey musk Nassella tussock Nutgrass Royal fern <i>Spartina alterniflora</i> <i>Spartina anglica</i> <i>Spartina townsendii</i> Wilding kiwifruit Yellow flag iris	African feather Grass Lantana Manchurian wild rice Mile a minute Pultenaea
Animals	Bearded dragon Big headed ant Blue tongued skink Indian ring-necked parakeet Rainbow lorikeet Rook Sulphur crested cockatoo Wallaby	Feral deer including all species <i>and hybrids of:</i> <i>Cervus</i> <i>Dama</i> <i>Odocoileus</i>	
Disease			
Fresh water	Entire marshwort Orfe Water poppy	Eastern water dragon Eel grass Nardoo Red-eared slider turtle Salvinia Senegal Tea Snake-necked turtle Water hyacinth	Koi carp Perch Tench
Marine			

Draft 2

Pest Type	Sustained Control	Banned from Sale and Distribution	
Plants	Bathurst bur Queen of the night Brazilian Pepper tree Rhus tree Gorse Gravel Groundsel Phoenix palm Privet Wild ginger including: Yellow ginger Kahili ginger Wilding conifers incl: <i>Pinus contorta</i> Douglas fir Maritime pine Radiata pine Woolly nightshade	Agapanthus Black-eyed Susan Broom Brush wattle Buddleia Camphor laurel Cape honey flower Cape ivy Century plant Coastal banksia Cotoneaster including: <i>C. glaucophyllus</i> <i>C. franchetii</i> Eleagnus Elephant's ear English ivy Furcraea German ivy Greater bindweed	Hakea Himalayan fairy grass Himalayan honeysuckle Jasmine Kangaroo acacia Lily of the valley vine Oxylobium Paperbark poplar Periwinkle Prickly moose including: <i>Acacia verticillata subsp. cephalantha</i> <i>A. v. subsp. ruscifolia</i> Sharp rush Sexton's bride Sycamore Sydney golden wattle Taiwan cherry Velvet groundsel
Animals	Argentine ant Darwin's ant Feral and stray cats Feral goat Feral pig Mustelids including: Ferret Stoat Weasel Possum Rabbit Rodents incl: Norway rat Ship rat		
Disease	Kauri dieback		
Fresh water	Brown bullhead catfish Rudd		
Marine	Asian paddle crab Australian droplet tunicate Japanese Mantis Shrimp Mediterranean fan worm Pyura sea squirt Styela sea squirt Undaria seaweed		

Draft 2

4. FINANCIAL SUMMARY

Council's Long Term Plan 2018 - 2025 provides the necessary funding, via rates and user charges, for the operational and planning activities associated with pest management.

The 2020-2021 Long Term Plan and Revised expenditure budgets are summarised in the table below:

Biosecurity 2020-2021 Annual Budget Expenditure	LTP	Revised
Biosecurity Overheads *	\$2,413,194	\$2,616,830
Partnerships	\$2,967,757	\$4,020,352
Pest Plants and Freshwater	\$670,023	\$1,020,782
Diseases and Incursions	0	\$511,566
Marine	\$523,432	\$543,495
Total expenditure	6,574,407	8,713,026

* Includes staff training, vehicle running costs, regional and national working groups, administration staff, and council support services.

NOTE: The budget will change significantly if new funding for wilding pine control and Predator Free 2050 becomes available during the year as is currently predicted.

Draft 2

5. TEAM KEY PERFORMANCE MEASURES

Biosecurity has several key performance measures applicable over all or some of the department as detailed in the table below.

Additional focussed key performance measures applicable within specific areas of the Biosecurity are detailed as required in *Sections 6 – 10* of this operational plan.

Area Key Performance Measure is Applicable	Key Performance Measures	How Will This Be Measured?
Whole department	Increase in awareness of the pests.	Events attended and social media interactions recorded.
Pest Plants Pest Animals Freshwater Pests	Identify new sites of exclusion and eradication pests through passive and active surveillance by council staff, the public, or through regional surveillance.	Evidence of the records of new sites reported and recorded.
Pest Plants Pest Animals Freshwater Pests	Initial investigations for all reported sightings and/or discoveries during the course of other work of exclusion and eradication species undertaken within 5 working days.	Council database.
Pest Plants Pest Animals Freshwater Pests	A response plan developed and implemented for any new incursion of an exclusion or eradication species within 20 working days of confirmation of species.	Evidence of plans developed.
Pest Plants Pest Animals Freshwater Pests	Response to reports from the public on sustained controlled pests will be responded to within 20 working days.	Reported via council database.
Pest Plants	All known plant outlets in Northland are inspected annually for exclusion and eradication species, and species banned under the National Pest Plant Accord and the Pest Plan.	Record of plant outlets visited by staff and pest species encountered.

Draft 2

6. PEST PLANTS

6.1 Exclusion Plants

Eradication of infestations of exclusion plants will be attempted by the council in conjunction with relevant Crown agencies and stakeholders where practicable.

Council will provide training to relevant council staff and stakeholders about the identification of the exclusion pests to assist in early detection. Council will provide advice, attend events and undertake publicity campaigns to increase public awareness of exclusion pests.

Regulatory Programmes Include:

- Enforcement of rules relating to exclusion plants.
- Eradication of exclusion plants found in Northland.
- Inspection / enforcement of rules relating to Plant nurseries and retail outlets (National pest plant accord).

Non-Regulatory Services Include (Not Limited To):

- Supporting eradication undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage exclusion plants.
- Support, attend and provide public weed control workshops to raise awareness and provide training to relevant stakeholders.
- Manage contractors relating to control of exclusion plants.

6.2 Eradication Plants

Control work will be undertaken annually by council staff / contractors / partners and/or stakeholders and detailed work plans will be developed for specific pests.

Regulatory Programmes Include:

- Enforcement of rules relating to eradication plants.
- Eradication of species listed within the eradication programme.
- Inspection / enforcement of rules relating to Plant nurseries and retail outlets (National pest plant accord).

Non-Regulatory Services Include (not limited to):

- Support eradication undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage eradication plants.
- Support, attend and provide public pest control workshops to raise awareness.
- Manage contractors relating to control of eradication plants.

Draft 2

Key Performance Measures

Key Performance Measures	How Will This Be Measured?
All management sites visited on scheduled best practice rotation.	Evidence from council database.
Decrease in number of adult plants in existing sites	Officer field reports.

6.3 Progressive Containment Plants

Council staff will aim to eradicate populations outside the containment zone and also reduce the size of the containment zone through a variety of control methods, including but not limited to spraying.

Council staff will also support communities to reduce the impact of progressive containment pests through several regulatory and non-regulatory biosecurity programmes.

Regulatory Programmes Include:

- Enforcement of rules relating to progressive containment plant species.
- Eradication and reduction of infestations of progressive containment plants will/may be attempted by the council in conjunction with relevant Crown agencies and stakeholders.

Non-Regulatory Services Include (not limited to):

- Develop and support community pest control programmes.
- Develop and support biosecurity environment fund projects.
- Support community and land care groups.
- Provide advice about how to manage progressive containment species.
- Support, attend and provide public weed control workshops.
- Provide public weed workshops.
- Support biocontrol for progressive containment species.

Key Performance Measures

Key Performance Measures	How Will This Be Measured?
Reports from the public on progressive containment pests will be responded to within 5 working days.	Council database.
Annual reporting on the status of all progressive containment pests.	Included in the annual Biosecurity Operations Plan report.

Draft 2

Key Performance Measures	How Will This Be Measured?
All Management sites visited on scheduled best practice rotation.	Evidence of schedule and visits made reported back.
Decrease in number of adult plants in existing sites	Report back from field observations.

6.4 Sustained Control Plants

Council will provide advice to relevant road and rail authority staff regarding development and implementation of management plans for sustained control plants.

Sustained control plants are managed through both regulatory and non-regulatory biosecurity programmes.

Regulatory Programmes Include:

- Enforcement of rules relating to sustained control plant species.
- Enforcement of Good neighbour rules.
- Inspection / enforcement of rules relating to Plant nurseries and retail outlets (National pest plant accord).
- Inspection / enforcement of rules relating to Quarries.
- Enforcement of rules relating to Road and rail, and development and implementation of management plans).

Non-Regulatory Services Include (Not Limited To):

- Develop and support community pest control programmes and high value areas.
- Develop and support biosecurity environment fund projects.
- Support community and land care groups.
- Provide advice about how to manage sustained control species.
- Support, attend and provide public weed control workshops.
- Provide public weed workshops.
- Support biocontrol for sustained control plants.

Key Performance Measure

Key Performance Measures	How Will This Be Measured?
All road and rail authorities have 5 year weed management plans or prioritised annual plans approved and implemented.	Evidence of management plans in place.

Draft 2

7. PEST ANIMALS

7.1 Exclusion Animals

Eradication of infestations of exclusion animals will be attempted by the council in conjunction with relevant Crown agencies and stakeholders where practicable.

Council will provide training to relevant council staff and stakeholders about the identification of the exclusion pests to assist in early detection. Council will provide advice, attend events and undertake publicity campaigns to increase public awareness of exclusion pests.

Regulatory Programmes Include:

- Enforcement of rules relating to exclusion animals.
- Eradication of exclusion animals found in Northland.

Non-Regulatory Services Include (Not Limited To):

- Support eradications undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage exclusion animals.
- Support, attend and provide public pest control workshops to provide training and raise awareness to assist in early detection.
- Manage contractors relating to control of exclusion animals.
- Council will provide advice, attend events and undertake publicity campaigns to increase public awareness of exclusion animals.

7.2 Eradication Animals

These pests all have the potential to establish widely in the region and are capable of causing adverse effects to the environmental, economic, social or cultural values of the region. Council is either the lead agency or a partner for eradicating these pests from the region.

Eradication of the eradication pests will be undertaken by the council in conjunction with relevant Crown agencies and stakeholders where practicable.

Regulatory Programmes Include:

- Enforcement of rules relating to eradication animals.
- Eradication of species listed within the eradication programme.

Non-Regulatory Services Include (not limited to):

- Support eradications undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage eradication animals.
- Support, attend and provide public pest control workshops to raise awareness.
- Manage contractors relating to control of eradication animals.

Draft 2

Key Performance Measure

Key Performance Measures	How Will This Be Measured?
All deer farm fences are inspected bi-annually in partnership with the Department of Conservation.	Council database.

7.3 Sustained Control Animals

Sustained control animals are generally managed through non-regulatory biosecurity partnerships, regulatory measures are used when required.

Regulatory Programmes Include:

- Enforcement of rules relating to sustained control animal species.

Non-Regulatory Services Include (Not Limited To):

- Develop and support community pest control programmes and high value areas.
- Develop and support biosecurity environment fund projects.
- Develop and support significant biosecurity partnerships (eg. NRC-Kiwi Coast Partnership).
- Support community and land care groups.
- Provide advice about how to manage sustained control animals.
- Support, attend and provide public pest control workshops.
- Provide selected pest control materials.
- Manage contractors relating to sustained control animal control.
- Staff will assist landowners and agencies to develop management plans to manage sustained control animals in Northland.

Key Performance Measures

Key Performance Measures	How Will This Be Measured?
Increase in hectares of land under CPCA's per annum (increase by 5000 ha).	Evidence of management plans which show hectares of CPCA's.
Increase in kiwi populations within NRC supported programmes – increase by 2% per annum.	Records from kiwi listening databases.
Measure annual outputs of council supported programmes – may include: <ul style="list-style-type: none"> • Number of traps issued • Number of kills recorded • Number of Biofunds approved. 	Council database records.

Draft 2

8. DISEASES AND PATHOGENS

The kauri dieback programme is a multi-agency programme involving the Ministry for Primary Industries, Department of Conservation, Northland Regional Council, Auckland Council, Waikato Regional Council, Bay of Plenty Regional Council, and tangata whenua.

The programme will utilise scientific and technological advancements to help reduce the spread of kauri dieback including Matauranga Māori.

8.1 Implementation

Regulatory Programmes Include:

- Enforcement of rules relating to sustained control disease.
- Development of high-risk kauri dieback management plans.
- Council staff and/or their contractors will visit all places on private land suspected of containing kauri dieback to undertake further assessment or testing.

Non-Regulatory Services Include (Not Limited To):

- Develop and support community pest control programmes (CPCA).
- Develop and support biosecurity environment fund projects.
- Develop and support significant biosecurity partnerships (NRC-Kiwi Coast Partnership and Māori).
- Support community and land care groups.
- Provide advice about how to manage sustained control disease.
- Support, attend and provide public kauri dieback workshops.
- Provide selected pest control materials.
- Manage contractors relating to sustained control species.

Key Performance Measures

Key Performance Measures	How Will This Be Measured?
All high-risk sites have management plans.	Number of KDB management plans completed.
Soil sampling.	Completion of 120 aerial survey sites and follow up sampling of positive sites.
Maintain a record of distribution of kauri dieback disease across Northland.	Recorded on national and council data systems.
All incidents are recorded, and a response plan is developed and implemented within 20 working days.	Evidence held on council database.

Draft 2

Key Performance Measures	How Will This Be Measured?
Improved hygiene of tracks through installation of hygiene station.	Number of hygiene stations installed across Northland.

Draft 2

9. FRESHWATER PESTS

9.1 Exclusion Freshwater Pests

Regulatory Programmes Include:

- Enforcement of rules relating to exclusion freshwater pests.
- Eradication of exclusion freshwater pests found in Northland.
- Inspection / enforcement of rules relating to Plant nurseries and retail outlets (National pest plant accord).

Non-Regulatory Services Include (Not Limited To):

- Support eradications undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage exclusion freshwater species.
- Support, attend and provide public pest control workshops to raise awareness.
- Manage contractors relating to control of exclusion species.
- Provide training to relevant council staff and stakeholders about the identification of the exclusion pests to assist in early detection.
- Provide advice, attend events and undertake publicity campaigns to increase public awareness of exclusion pests.

9.2 Eradication Freshwater Pests

Regulatory Programmes Include:

- Enforcement of rules relating to eradication freshwater species.
- Eradication of species listed within the eradication programme.
- Inspection / enforcement of rules relating to Plant nurseries and retail outlets (National pest plant accord).

Non-Regulatory Services Include (not limited to):

- Support eradications undertaken by other Crown agencies and stakeholders.
- Provide advice about how to manage eradication freshwater species.
- Support, attend and provide public pest control workshops to raise awareness.
- Manage contractors relating to control of eradication freshwater species.

Key Performance Measure

Key Performance Measures	How Will This Be Measured?
All Management sites visited on scheduled best practice rotation.	Evidence of schedule and visits made reported back.

Draft 2

9.3 Progressive Containment Freshwater Pests

Regulatory Programmes Include:

- Enforcement of rules relating to sustained control freshwater species.
- Eradication and/or reduction of infestations of the progressive containment freshwater pests may be attempted by the council in conjunction with relevant Crown agencies and stakeholders where practicable.

Non-Regulatory Services Include (not limited to):

- Council staff will assist land owners to develop management plans.
- Council will provide training to relevant council staff and stakeholders in the identification of pests to assist in early detection.
- Council staff will provide advice, attend events and undertake publicity campaigns to increase public awareness of pests.
- New technologies and methods will be investigated and introduced where possible.

Key Performance Measures

Key Performance Measures	How Will This Be Measured?
Annual reporting on the status of all progressive containment pests.	Included in the annual Biosecurity Operations Plan report.
All Management sites visited on scheduled best practice rotation.	Evidence of schedule and visits made reported back.
Maintain an updated distribution record of progressive containment freshwater species.	Evidence retrieved from council database.

9.4 Sustained Control Freshwater Pests

Regulatory Programmes Include:

- Enforcement of rules relating to sustained control freshwater species

Non-Regulatory Services Include (not limited to):

- Develop and support community pest control programmes and high value areas.
- Develop and support biosecurity environment fund projects.
- Support community and land care groups.
- Provide advice about how to manage sustained control species.
- Support, attend and provide public pest control workshops.
- Provide selected pest control materials.
- Manage contractors relating to sustained control species.

Draft 2

10. MARINE PATHWAYS MANAGEMENT PLAN (MPMP)

10.1 Background of the Marine Pathway Plan

Over the life of the RPMP (including MPMP), council has the following aims:

- To increase the number of vessel owners and/or persons in charge of vessels complying with the pathways plan rules.
- To see a reduction in new marine pest introductions to Northland.
- To see a reduction in the rate of spread of established marine pests within Northland.
- To help marine stakeholders, coastal marine area occupiers, vessel owners and the public to gain knowledge and skills to help reduce the impacts and spread of sustained control pests and to understand the risk hull biofouling poses to marine pest spread.

Since 2010 council has had a species-led approach to managing marine pests. However, identifying marine pests and potential risk organisms for Northland is difficult so rather than relying solely on the species-led approach, NRC is addressing a universal vector of spread. Mediterranean fanworm is just one of many species that has entered the region via hull biofouling, with over 100 vessels carrying fanworm found in Northland since 2012. Taking a proactive approach and encouraging cleaner hulls through a MPMP will result in fewer vessels carrying marine pests and other biofouling to the region and reduce the risk of new marine pest incursions.

The programme includes the following species and pathways:

Marine Pests and Pathway			
Marine Pathway plan	Hull fouling: Level of Fouling 2		
Sustained control marine pests	Asian paddle crab Australian droplet tunicate Japanese Mantis Shrimp	Mediterranean fan worm Pyura sea squirt Styela sea squirt	Undaria seaweed

10.2 How Will the Programme Be Implemented?

Year 3: 2020-2021

- Continue with existing communication and advice programmes to assist vessel owners & stakeholders with ensuring compliance with rules.
- The Hull Surveillance Programme will assess a minimum of 2000 vessels. Any vessel carrying a named marine pest in an area without that pest widely established, will be placed under a Notice of Direction and directed to make a plan to have the vessel cleaned. In addition, owners of vessels that exceed the MPMP fouling threshold will be advised and issued a warning letter encouraging them to have the vessel cleaned and explaining that enforcement action will follow if they fail their next inspection and move between designated places.

Draft 2

- NOD's on vessels found with listed marine pests will be tracked in IRIS (councils online incident logging database).

10.3 Programme Costs

The 2019-2020 diver hull surveillance contract was tendered out at **\$222,000** for inspection of 2,000 vessels and is currently the largest operational cost. At the time of writing this plan, the tender for the 20/21 hull surveillance contract had not been finalised but similar costs are expected. An increase in compliance and a reliance on proxy measures of clean hulls like the voluntary antifoul declaration, a log book system, visual inspections and evidence of haul outs and antifoul applications could see a decrease in frequency of inspections required.

10.4 Performance Targets and Measures

Key Performance Measures	How Will This Be Measured?
Compliance with the marine pest and pathway plan is recorded and trends over the duration of the plan are analysed.	The vessel hull surveillance programme will inspect 2000 vessel hulls annually. Compliance with the pathway plan and all incidents will be recorded and reported monthly.
Engagement activities are conducted to facilitate an increase in awareness of the risk hull fouling poses to the spread of marine pests.	Education surveys will be undertaken, and results recorded. Educational events and their approximate reach will be recorded.
Introductions of new marine pests to Northland and spread of established pests to new designated areas within Northland are recorded and trends over the duration of the plan are analysed.	Number of incidents and reports of marine pests will be recorded and reported monthly. Surveillance activities will be recorded to contribute to an assessment of surveillance effort over the duration of the plan.
All incidents are recorded, and a response plan is developed and implemented within 5 working days.	IRIS data reports.

Draft 2

11. OPERATIONAL PLAN REPORTING

Council will produce a report on the operational plan and its implementation not later than 5 months after the end of each financial year.

A copy of this report will be provided to council.

12. OPERATIONAL PLAN REVIEW

This operational plan will be reviewed periodically as required.

Draft 2

Northland Regional Council

P 0800 002 004

E info@nrc.govt.nz

W www.nrc.govt.nz

2020-2021 biosecurity operational plan - draft 2 (as at 08-07-2020) (a1294694)
Page 24 of 24



TITLE: Northland Inc. Limited: Statement of Intent 2020-2023

ID: A1337058

From: Darryl Jones, Economist

Executive summary/Whakarāpopototanga

The purpose of this report is to present to council Northland Inc. Limited's (Northland Inc.) final Statement of Intent (SOI) for 2020–2023. The Northland Inc. Board has chosen to incorporate almost all changes and additions suggested by council following the review of the draft SOI 2020–2023 in March/April 2020. Under section 65(2) of the Local Government Act (LGA) 2002 council must agree to the SOI, or if it does not agree take steps to require the SOI to be modified. Officers recommend that council agree to the SOI 2020–2023 as attached.

Recommendation(s)

1. That the report 'Northland Inc. Limited: Statement of Intent 2020-2023' by Darryl Jones, Economist and dated 7 July 2020, be received.
2. That council agree to Northland Inc. Limited's Statement of Intent 2020-2023 as set out in Attachment 3 pertaining to Item 7.3 of the 21 July 2020 council agenda.

Background/Tuhinga

In February 2020, Northland Inc. provided a draft SOI 2020–2023 for council's consideration. Council discussed the draft SOI at a workshop on 17 March 2020. The draft SOI was formally received at the council meeting on 21 April where council agreed to delegate authority to the Chief Executive Officer (CEO), in consultation with council Chair and Deputy Chair, to provide feedback to Northland Inc. on the draft in line with the recommendations in the report. A written formal response was sent to Northland Inc. on 30 April 2020 (**Attachment 1**).

Council had a further opportunity to discuss the SOI at the quarterly council/Northland Inc. workshop held on 2 June. It was originally intended to hold this discussion at the quarterly workshop scheduled for 24 March, but this workshop was cancelled due to the initiation of the COVID-19 lockdown.

Following the 2 June workshop, Northland Inc. provided a revised draft to council for further input given the significantly altered economic environment in which Northland Inc. would be operating in during 2020/21 due to COVID-19 which had occurred since the original draft SOI was prepared. This additional opportunity was not required by legislation. An email response was provided back to Northland Inc. on 26 June (**Attachment 2**).

Council received a Northland Inc. Board approved final version of the SOI 2020–2023 (**Attachment 3**) on 30 June 2020, the deadline required by Schedule 8(3) of the Local Government Act 2002. Staff have reviewed the SOI and confirm that it complies with the requirements of Schedule 8 of the LGA 2002.

Staff have also reviewed the final SOI against the comments provided by council. All the questions, changes and additions suggested by council have either been taken on board and incorporated into the final SOI, or have been answered, for example, during the 2 June workshop discussion or in the letter from Northland Inc. accompanying the SOI (**Attachment 4**). While reference is made to COVID-19 in the Context section of the SOI, further commentary around the impact and consequences of COVID-19 pandemic would have been useful to support the changes made to the work programmes in the Nature and scope of activities section.

Northland Inc. has separately advised council that they are dropping two of the current key performance indicators (KPI): the client satisfaction for Māori businesses KPI as they have consistently not been able to gather the data/evidence from clients; and the RTO Net Promotor Score KPI as there is now a reasonably significant cost to receive this data whereas previously we were able to access this for free.

As shareholders of Northland Inc., council has a requirement under section 65(2) of the LGA 2002 to agree to the SOI, or if it does not agree, to take practicable steps to require a modification to the SOI. Under clause 5 of Schedule 8, the shareholders of a council-controlled organisation may, by resolution, require the board to modify the SOI by including or omitting any provision or provisions of the kind referred to in clause 9(1)(a) to (i), and any board to whom notice of the resolution is given must comply with the resolution.

Northland Inc. Board members and staff will attend the council meeting.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Agree to Northland Inc.'s SOI 2020–2023 as set out in Attachment 3.	Allows Northland Inc. to begin operating in 2020/21 without uncertainty.	Don't get all the changes requested by council incorporated into the SOI.
2	Not agree to Northland Inc.'s SOI 2019–2022 as set out in Attachment 3 and formally request additional modifications.	Get further changes requested by council incorporated into the SOI.	Creates unnecessary antagonism with Northland Inc. given that council requests to date have either been incorporated within the SOI or answered separately.

The staff's recommended option is Option 1, that council agrees to the SOI 2020–2023 received from Northland Inc. as set out in Attachment 3. Northland Inc. has chosen to incorporate council's comments into the final SOI or have provided a response to those not incorporated.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it has previously been consulted on and provided for in council's Long Term Plan 2018–2028 and previous decisions of council to set up Northland Inc. Limited as its council controlled organisation. They are part of council's normal operations. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council can make decisions relating to this matter without undertaking further consultation or engagement.

3. Policy, risk management and legislative compliance

The decision is consistent with policy and legislative requirements, and no significant corporate risks are identified under the Risk Management Policy.

Further considerations

4. Community views

The community have not been specifically consulted with regard to the Northland Inc. SOI. While there was no new initiative proposals relating to Northland Inc. in council's proposed Long Term Plan 2018–2028, it did outline the policies, objectives and KPIs for Northland Inc. A number of submitters made comments supporting council's involvement in economic development through Northland Inc. However, concerns were raised by other submitters about the level of funding provided to Northland Inc.

5. Māori impact statement

Māori have not been specifically consulted with on the development of the latest Northland Inc. SOI. A specific spending allocation on Māori Economic Development (MED) is provided within the SOI. As stated in the letter, this is expected to be spent predominately on building organisational capability for Te Reo and Te Ao Māori to embed MED across the organisation. At its meeting on 9 July, the Te Taitokerau Māori and Council Working Party (TTMAC) discussed this SOI and options for future engagement with TTMAC, including input into future SOIs.

6. Financial implications

An annual allocation of funding to Northland Inc. for operational expenditure is set out and provided for in council's Long Term Plan 2018–2028. For 2020/21, the annual level of operational funding is \$1,365,266 (plus GST). This funding stream is allocated from council's Investment and Growth Reserve (IGR), and is paid quarterly on receipt of an invoice from Northland Inc.

In addition to operational funding, the criteria and procedures for the allocation of funding from the IGR (IGR criteria) provides the Board of Northland Inc. the delegated ability to allocate up to \$300,000 per annum for project development. However, due to the impact of COVID-19 on council revenue, this was removed for 2020/21 at the extraordinary council meeting on 6 May 2020.

Northland Inc. also receives IGR Enabling Investment funding from council for projects that it is responsible for delivering. It currently receives funding for two such projects: Extension 350 (a six-year programme worth \$832,600 in total ending 2021/22) and extended regional promotions (\$200,000 per annum for three years ending 2020/21). Funding for these projects, and any future project allocations, are made by specific council decision in line with IGR.

7. Implementation issues

Northland Inc. is responsible for implementing its SOI. Council does not provide any direction to Northland Inc. on how its operational funding is spent across the four work programmes. It is up to the Board of Northland Inc. to prioritise the allocation of its operation funding across the work programmes. Council receives a report each quarter from Northland Inc. on progress made in achieving the performance measure targets.

Attachments/Ngā tapirihanga

Attachment 1: Letter from council to Northland Inc. providing comments on their draft SOI 2020-2023 [↓](#)

Attachment 2: Email from council to Northland Inc providing additional comments on their draft SOI 2020-2023 [↓](#)

Attachment 3: Northland Inc. Limited Statement of Intent 2020-2023 [↓](#)

Attachment 4: Letter from Northland Inc. accompanying final SOI [↓](#)

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Strategy, Governance and Engagement
Date: 14 July 2020



30 April 2020

Sarah Petersen and Murray Reade
Chair and Chief Executive Officer
Northland Inc. Limited
PO Box 1762
Whangārei 0140

Sent by email: sarah@sodagroup.co.nz
murray.ream@northlandnz.com

Dear Sarah and Murray

NORTHLAND INC. LTD STATEMENT OF INTENT 2020-2023 – COUNCIL RESPONSE TO DRAFT

1. The purpose of this letter is, as the shareholders of Northland Inc, to provide you with comments on the draft Statement of Intent (SOI) for the three-year period 2020/21 – 2022/23 in accordance with Schedule 8 Clause 2 of the Local Government Act 2002.
2. Thank you for providing the draft SOI within the time requirement set out in Schedule 8 Clause 1(2). It was unfortunate that the quarterly council/Northland Inc. workshop scheduled for 24 March had to be cancelled due to the introduction of the COVID-19 lockdown restrictions. Some of the points that we raise below may have been addressed in that context.
3. Therefore, in order to provide an opportunity to discuss our response on the SOI before the board delivers a completed SOI (due before 30 June), the next quarterly workshop has been rescheduled for Tuesday 2 June, i.e. it has been brought forward by three weeks. The quarterly workshops help improving dialogue between council and Northland Inc., allow for the resolution of matters, and avoid the advent of any surprises down the line.
4. Our feedback is arranged in three areas: general comments on the draft SOI; specific comments on the text; and some other matters.

General Comments

5. Council appreciates that Northland Inc. have drafted the SOI with our letter of expectations dated 21 January 2020 in mind, specifically changes in the layout of the SOI, e.g. bringing shareholder information together.
6. Council supports the introduction of a new front section of the report as proposed by Northland Inc. but suggests a title/heading for this new section would be helpful.



Private Bag 9021, Whangārei 0148



7. Council would like Northland Inc. to consider the short and long-term consequences of the COVID-19 lockdown on the organisation and its activities in finalising the SOI. For example, what do the restrictions on international tourism mean for the Destination Management and Marketing work programme, and what new or alternative business support services may need to be provided to ensure the ongoing performance of Northland businesses. Council acknowledges and appreciates the flexible, constructive and timely responses that Northland Inc. has made to the COVID-19 lockdown to assist Northland businesses, liaise across government agencies and support the council-led co-ordinated emergency response.
8. Council recognises that it is a very fluid time and therefore knowledge of all the economic impacts and recovery responses will not be known before the Board is required to deliver a completed SOI. Council is therefore open to amending the SOI during the year as the situation becomes clearer if required. Clause 5 of Schedule 8 allows for modifications to be made a SOI and sets out the process for doing so.
9. Environmental sustainability and climate change are a strong emphasis of the new council. Our letter of expectations referred to this in relation to investment decisions. Council would like Northland Inc. to reflect these two issues more specifically within both the SOI and the Business Plan.

Comments on Objectives, Governance, Activities and Performance Measures

10. Council is aware that central government financial support for the TTNEAP will cease in September 2020. Consequently, the TTNEAP has been dropped as an objective and activity of Northland Inc. Council would like to be assured that Northland Inc. considers the dropping of this activity to be the most appropriate response, i.e. it does not wish to divert resources from other parts of the organisation to this function. The TTNEAP, and the relationships and groups that have been formed as part of this, has been and will remain an important part of a post-COVID-19 economic recovery.
11. Operation expenditure
 - a. Council supports the move by Northland Inc. to develop forecast expenditure budgets using only committed funding income streams rather than including "to be confirmed" funding. This provides a more accurate picture of the implications of various funding decisions.
 - b. In this regard, council notes the large reduction in salaries for 2021/22 and 2022/23 reflecting the end of the three-year Extended Regional Promotions funding on 30 June 2021 and would like to understand the impact of this on the delivery of Northland Inc.'s services/activities.
12. Performance indicators
 - a. Council requests an explanation as to why the Orchard occupancy rate, the client satisfaction for Māori businesses, and the RTO Net Promoter Score key performance



Private Bag 9021, Whangārei 0148



indicators have been dropped. These indicators were developed as part of the Long Term Plan 2018-2028 and need to remain in place until the new Long Term Plan 2021-2031 is in place.

- b. Council would also like to know why the target value of NZTE and Callaghan Innovation grant funding for Māori business is almost nine times lower on a per business basis than the target value for all business, i.e. the \$25,000 target across 50 Māori businesses equates to an average grant value of \$500 per business compared to a total grant target of \$1 million across 230 business at an average of \$4,348 per business.
- c. The value of visitor spending from target markets on p.3 of the SOI should be \$1.128B and not \$1.128M.
- d. Some of the indicators listed in the table on p.9 appear to be a year out in comparison to the current SOI. For example, the target value of visitor spending from target markets for the forthcoming 2020/21 year is listed as \$1,175M but this is the value for 2019/20 in the current SOI.

Other matters

- 13. Along with receiving the Board approved SOI before 30 June 2020, council requests that it also receive at the same time the Business Plan for 2020/21. This should include a breakdown of income and expenditure by workstream.
- 14. Council looks forward to working with the Northland Inc. to deliver on the content of this SOI. As mentioned in our letter of expectations, council would also like to work closely with Northland Inc. over the next 12 months in the development of its Long Term Plan 2021-2031. COVID-19 will make it a more challenging year than normal but together we can make a difference for our region.

Yours sincerely

Penny Smart
Chair



Private Bag 9021, Whangārei 0148



A handwritten signature in black ink, appearing to read "M Nicolson". The signature is fluid and stylized, with a long horizontal stroke extending to the right.

Malcolm Nicolson
Chief Executive Officer

Darryl Jones

From: Malcolm Nicolson
Sent: Friday, 26 June 2020 9:28 AM
To: Murray Reade (murray.reade@northlandnz.com)
Cc: Penny Smart; Jonathan Gibbard; Darryl Jones
Subject: Sol comment

Kia ora Murray

Thanks for the additional opportunity that Northland Inc has provided for council to provide feedback on the draft SOI 2020-2023.

Our feedback is as follows.

- Engagement Collaboration and Visibility – the description of this work programme in the Overview section is not as clear as it is described elsewhere in the SOI, e.g. on pp. 7 and 8, i.e. that this work programme is predominately about business support functions. This should be made clearer.
- Section 2 – commentary about the impact of COVID-19 should also be included in this part of the SOI not just in the Overview.
- Section 4 – council considers that the Orchard occupancy rate is a good indicator of how Northland Inc are recognised and used in Whangārei, and should therefore be retained.
- Section 12 – KDC should be added in as an income line item (perhaps alongside FNDC as previously done). We expect this funding to be confirmed over the coming month. Leave as zero for now.
- Section 12 – new expenditure item listed as MED (presumed this is Māori Economic Development). Please provide an indication of what this expenditure is likely to be when the you formally submit the SOI.

In addition to providing the SOI, I would like to remind you that council have requested in our letter of 30 April 2020 that it be provided with a copy of your Business Plan for 2020/21 including a breakdown of income and expenditure by work programme. We look forward to receiving this.

Ngā mihi

Malcolm Nicolson
Chief Executive Officer
Northland Regional Council » Te Kaunihera ā rohe o Te Taitokerau

DDI 09 470 1257
M 027 284 9249



P 0800 002 004 » W www.nrc.govt.nz



Disclaimer

Users are reminded that Northland Regional Council data is provided in good faith and is valid at the date of publication. However, data may change as additional information becomes available. For this reason, information provided here is intended for short-term use only. Users are advised to check figures are still valid for any future projects and should carefully consider the accuracy/quality of information provided before using it for decisions that concern personal or public safety. Similar caution should be applied for the conduct of business that involves monetary or operational consequences. The Northland Regional Council, its employees and external suppliers of data, while providing this information in good faith, accept no responsibility for any loss,



Overview

Introduction

Economic Development comprises targeted activities and programmes to increase the prosperity of a place; a community, district or region. A key condition that supports economic development is when communities are viewed as attractive places to live, work and play and generate new economic opportunities for themselves. Inclusive growth is economic growth that is distributed fairly across society and creates opportunities for all - enabling people to have the capabilities they need to live lives of purpose, balance, and meaning. Principles of inclusive and equitable growth have become more critical as we enter a phase of economic recovery in Northland post Covid-19 as this will ensure our collective well-being lifts during recovery and emergence.

The tools or resources we have to improve our prosperity and lift our living standards are grouped into four areas – natural capital, financial and physical capital, social capital, and human capital. This is the framework within which we enable economic development in Northland. We acknowledge that environmental sustainability and climate change are important areas of interest for Council and we will continue to support sustainability and climate change resilience through our activity and actions.

Northland Inc will maintain a strong focus on, and commitment to, Māori economic development. We aim to build meaningful partnerships and collaboration to embed Maori Economic Development outcomes into all of our activity.

Our Vision

Northland is one of the most prosperous regions in New Zealand delivering employment and business opportunities for locals in a fair and equitable society balancing economic development with sustainable environmental management.

Our Mission

To strengthen, diversify and grow the Northland economy.

Objectives 2020-2023

1. Advocate and promote the establishment and development of infrastructure that underpins regional economic growth.
2. Attract, facilitate and support investment opportunities in regionally strategic sectors.
3. Promote Northland as a progressive and positive place to visit, do business and live.
4. Provide and facilitate business support services that enable Northland businesses to grow.
5. Increase innovation and entrepreneurship in Northland.
6. Partner with Māori to develop and implement economic development projects for the benefit of Northland.
7. Support tourism product development and infrastructure as enablers of Northland's tourism sector.

To deliver maximum impact, Northland Inc will prioritise activities in four key areas:

1. Lead the post-Covid economic recovery planning for the region:
 - o Work across the region to co-ordinate and lead economic recovery activities

- Develop a long term economic development strategy for the region
- Provide economic intelligence for the region
- 2. Investment and Provincial Growth Fund (PGF) - the PGF is a short-term opportunity which needs to be prioritised for maximum impact:
 - Providing leadership to highlight and drive transformational opportunities
 - Collaborating, leading and supporting ongoing work programmes to ensure impact extends past the life of the PGF
- 3. Engagement Collaboration and Visibility - increase focus on collaboration for the benefit of the region:
 - Improved visibility of progress and outcomes across the region
 - Delivering business advice effectively across the region to support innovation, capacity and capability development
 - Developing clusters, business networks or associations to leverage Northlands key sectors and comparative advantages
 - Empower, support and partner with Māori organisations and businesses
 - Collaborate to leverage resources and funding
- 4. Destination Management and Marketing - Promote the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal:
 - Aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort.
 - Improving regional dispersal, length of stay, expenditure and the appeal of off peak travel
 - Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan

Key Performance Indicators

- ❖ Economic Development Recovery:
 - Development of a long term economic development strategy for the region
- ❖ Investment & PGF
 - 100% of IGR business case decisions are made within 90 days [on hold in 2021 due to funding restrictions arising due to COVID-19]
 - 2 inward delegations hosted (anticipated to be restricted due to COVID-19)
 - Investment recommendations are always accompanied by robust business cases
 - 3 High impact projects are implemented
- ❖ Engagement Collaboration and Visibility
 - 230 unique businesses assisted
 - \$1.0M of NZTE and Callaghan grant funding facilitated
 - 90% of clients Satisfied with service
 - 50 unique Maori businesses assisted
 - \$100,000 of NZTE and Callaghan grant funding facilitated specifically for Maori
 - Orchard occupied at 85%
- ❖ Destination Management and Marketing
 - \$857M visitor spend from target markets, limited to domestic markets at this time
 - \$250,000 industry investment in regional promotion activity
 - \$10M of Equivalent Advertising Value achieved

Financial information

A summary of financial performance is included below.

Income		\$2,942,817
Expenses		
	Projects	\$720,345
	Operations	\$639,766
	Salaries	\$1,581,746
Net Surplus		\$960



Table of Contents

1	Introduction.....	7
2	Context.....	7
3	Nature and scope of activities to be undertaken by Northland Inc	8
4	Performance targets.....	11
5	Shareholders' funds, distributions and the value of shareholders' investment	12
6	Governance	12
7	Accounting policies	13
8	Information to be provided to the Shareholders	13
9	New entries, acquisitions and sales	14
10	Activities for which local authority funding is sought	14
11	Any other matters	14
12	Financial information.....	15
	Appendix A: Northland Inc Accounting Policies	16
	Appendix B: Supporting Information for Northland Inc Statement of Intent.....	17

1 Introduction

The Board of Directors of Northland Inc Ltd (Northland Inc) present this Statement of Intent as a public declaration of the activities and intentions of Northland Inc Ltd in accordance with the requirements of Clause 9 of Schedule 8 of the Local Government Act 2002.

Northland Inc is a Company registered under the Companies Act 1993, a reporting entity for the purposes of the Financial Reporting Act 1993. It is a wholly owned subsidiary of Northland Regional Council (NRC) and, by virtue of their right to appoint directors, is a council-controlled organisation as defined under Section 6 of the Local Government Act 2002. It was established by the Northland Regional Council as their preferred method of delivering economic development services to the region.

Accordingly, Northland Inc is Northland's Regional Economic Development Agency and Regional Tourism Organisation. It also forms part of the Government's Regional Business Partner Network (RBP).

Northland Inc is funded by an operational contribution from NRC and is project funded through other public and private agencies, with central government being the next largest contributor. Northland Inc acknowledges that many parts of the Northland economy could use further support, and is committed to identifying partnerships and collaborations that help to increase funding and resources to support economic growth. Notwithstanding our intent to raise additional funding, our budget as presented reflects confirmed funding sources only. As such, for the sake of conservatism, the activities, workstreams and KPIs included in this document assume no additional funding is achieved.

The organisation is governed by a board of seven directors appointed for three years on a rotational basis (or as otherwise specified from time to time by NRC). The Board Chair is elected by the Directors. Operational activity is led by the Chief Executive Officer. Northland Inc currently has no subsidiaries or joint ventures.

This Statement of Intent is the guiding governance tool and terms of reference for Northland Inc and defines the key performance indicators (KPIs) as agreed by NRC. It outlines the Directors' accountabilities to NRC for corporate performance.

Below is further supporting information (to be read in conjunction with that provided above) required to be included within a Statement of Intent.

2 Context

Northland Inc works with organisations and institutions in Northland and the public and private sectors with a common purpose to grow, strengthen and diversify Northland's economy.

NRC's 2018 Long-Term Plan (LTP) sets out NRC's objectives, community outcomes, values and areas of focus. Collectively this provides a statement about the direction NRC wishes to take in making a meaningful contribution to the region, and this is relevant for guiding Northland Inc's objectives, approach and activities. Northland Inc and NRC have deliberately aligned their objectives for economic development (see Objectives outlined below).

Northland Inc also has regard to the collective objectives of Northland Forward Together, which outlines shared regional aspirations of the four local authorities which incorporate economic development.

In December 2017 government introduced the Provincial Growth Fund (PGF). It has been a critical Central Government policy that Northland Inc had to respond and adapt to. "The New Zealand Government has allocated three billion dollars over a three-year term to invest in regional economic development through the Provincial Growth Fund (PGF)" (*source: growregions.govt.nz*) The PGF is intended to lift productivity in the provinces and to enhance economic development opportunities. It provides a significant opportunity for Northland economic development interventions to be accelerated and we need to ensure our objectives maximise benefit for Northland communities.

Several other government and local initiatives guide Northland Inc's economic development agenda and long-term context for Northland Inc, including;

- Tai Tokerau Northland Economic Action Plan (Action Plan)
- He Kai Kei Aku Ringa (the Crown-Māori joint strategy for Māori economic development); and
- He Tangata, He Whenua, He Oranga, the Tai Tokerau Māori Growth Strategy developed by the Tai Tokerau Iwi CEOs Consortium.

Northland Inc is committed to the principles of 'Inclusive Growth' which are attracting an increasing focus in Economic Development practice worldwide. Central Government has developed the new Living Standards Framework and well-being measures. These foci are strong policy contexts that will influence what and how Northland Inc works. Northland Inc will continue to develop and support economic development strategies and actions that incorporate the principles of Inclusive Growth and look to provide alignment with the living standards framework as it is developed. We strive to ensure fair and equitable outcomes that balance economic development with sustainable environmental management, and will prioritise economic opportunities which support environmental management and climate change.

Principles of inclusive and equitable growth have become more critical as we enter a phase of economic recovery in Northland post Covid-19 as this will ensure our collective well-being lifts during recovery and emergence.

We acknowledge that environmental sustainability and climate change are strong areas of interest for Council and we will continue to reflect this within our activity and actions.

Northland Inc will maintain a strong focus on, and commitment to, Māori economic development. We aim to build meaningful partnerships and collaboration to embed Maori Economic Development outcomes into all of our activity.

3 Nature and scope of activities to be undertaken by Northland Inc

Northland Inc focusses on the following four work programmes to achieve the organisational objectives:

1. Post Covid Economic Recovery – Lead the economic development recovery planning for the region.
2. Investment and PGF – Leveraging economic growth in the region through the strategic co-ordination, management and allocation of available public and private sector funding, including NRC's Investment and Growth Reserve.
3. Engagement Collaboration and Visibility – Focus on collaboration for the benefit of the region and to continually improve the performance, productivity and profitability of Northland businesses; and

4. Destination Management and Marketing (previously called Regional Tourism Office) – Promoting the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal.

The latter three work programmes from prior years remain consistent post Covid, however we expect in the short to medium term, some re-orientation of effort may be necessary as economic recovery plans develop. We have added a specific work area in regard to leading recovery planning for the region.

The nature and scope of activities relevant to each work program are listed below.

1. Lead the post-Covid economic recovery planning for the region:
 - Work across the region to co-ordinate and lead the economic recovery activities
 - Provide economic development intelligence
 - Develop a long term economic development strategy for the region
 - Assist with project management and delivery of economic response activities (including PGF funded projects)
 - Maintain a delivery structure for the region (Action Plan)
2. Investment and PGF – Leveraging economic growth in the region through the strategic co-ordination, management and allocation of available public and private sector funding, including the PGF and NRC's Investment and Growth Reserve; promoting the region for investment and supporting the implementation of the Action Plan:
 - Actively supporting and facilitating investment in Regionally Strategic Sectors in the Northland economy
 - Delivering a promotional programme to encourage investment and market development of Northland's strategic growth sectors
 - Leveraging the Investment and Growth Reserve to increase investment into the Northland economy [on hold in 2021 due to funding restrictions arising due to COVID-19]
 - Supporting and facilitating the development of new and enabling infrastructure such as UFB, roads, rail and water
 - Deliver the Extension 350 Programme
3. Engagement Collaboration and Visibility – Collaborate for the benefit of the region and continually improve the performance, productivity and profitability of Northland businesses:
 - Delivering business advice effectively across the region to support innovation, capacity and capability development through incubation services and the Regional Business Partnership; New Zealand Trade & Enterprise, Callaghan Innovation and Business Mentors New Zealand
 - Developing clusters, business networks or associations to take advantage of market development opportunities that leverage Northlands key sectors and comparative advantages
 - Building and sharing specialist knowledge through a business events programme and provide opportunities to access a range of capital support mechanisms for Northland businesses

- Engage and partner with iwi, hapū, marae and the Māori community, central government agencies and other entities supporting Maori Economic Development to advance their aspirations in economic development and enable investment, business growth and completion of economic development projects
 - Work with, advocate for and support Māori businesses with their aspirations for growth
4. Destination Management and Marketing – Promoting the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal:
- Identifying, and where appropriate, assisting with the development of infrastructure, products, services and sub-regional destinations aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort.
 - Improving regional dispersal, length of stay, expenditure and the appeal of off peak travel particularly through leverage of the Twin Coast Discovery programme as a region wide development framework for tourism
 - Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations and in conjunction with the Northland tourism sector.

In terms of the focus for investment activity, the 'Regionally Strategic Sectors' are:

- Agriculture and Horticulture
- Digital
- Tourism
- Marine

4 Performance targets

Key performance indicators are:

Work Programme	How we will measure	2020/21	2021/22	2022/2023
Economic Development Recovery	Development of a long term economic development strategy for the region	Strategy developed	N/A	N/A
Investment and PGF	Percentage of IGR business case decisions (by the Board) made within 90 days of receiving application [on hold in 2021 due to funding restrictions arising due to COVID-19]	N/A	100%	100%
	Number of inward delegations hosted	2	3	3
	Investment recommendations are accompanied by a robust business case	100%	100%	100%
	Number and value of high impact projects that are implemented	3	3	3
Engagement Collaboration and Visibility	Number of unique businesses assisted (by TA and industry)	230		
	Value of NZTE and Callaghan Innovation grant funding facilitated	\$1.0M		
	Client satisfaction (as measured by Net Promoter Score)	90% (NPS 50)		
	Number of unique Māori businesses assisted (by TA and industry)	50	55	60
	Value of NZTE and Callaghan Innovation grant funding facilitated for Māori businesses	\$100,000	\$110,000	\$120,000
	Orchard occupancy rate	85%	85%	85%
Destination Management and Marketing ¹	Visitor spend from target markets	\$857M	\$900M	\$945M
	Value of industry investment in regional promotion activity	\$250,000		
	Equivalent Advertising Value achieved from destination marketing	\$10M		

Note: Northland Inc has prepared a separate supporting document (Appendix B) which explains the rationale and recording methodology behind each of the Key Performance Indicators.

¹ KPI's for this area are based on estimates of the domestic industry spend based on pre-COVID data and are accordingly lower than prior Sol targets.

5 Shareholders' funds, distributions and the value of shareholders' investment

Shareholders' funds (being retained surpluses plus share capital) at June 2019 was as follows:

	June 2019
Total Assets \$	1,242,311
Total Liabilities \$	1,108,654
Shareholders' Funds \$	133,657
Shareholders' Funds as % of Total Assets	10%

Northland Inc forecasts small surpluses year-on-year. Accordingly, Shareholders' Funds as % of Total Assets will remain approximately at this level.

Northland Inc is not required to make any distributions to NRC as the shareholder.

The value of the shareholders' investment in Northland Inc is estimated by directors to be equal to current shareholders' funds being \$133,657.

6 Governance

The Board will effectively represent and promote the interests of NRC by seeking to fulfil its mandate as described above. The Board will discharge their duties in accordance with Northland Inc's Board Charter.

In undertaking its activities, Northland Inc will seek to:

- Achieve the objectives of NRC, both commercial and non-commercial as specified in this Statement of Intent;
- Demonstrate ethical and good behaviour in dealing with all parties;
- Achieve active partnerships with Māori, and other key stakeholders within the region, promoting effective communication where appropriate;
- Comply with all relevant legislative requirements, including those relating to the principles of the Treaty of Waitangi;
- Maintain an open and transparent approach to decision-making with NRC while respecting the need for commercially sensitive information to be protected;
- Be a good employer; and
- Exhibit social and environmental responsibility.

The Board will adopt the following approach to its fiduciary responsibilities to ensure good governance:

- Prepare a 3-year SOI setting out its strategic goals for agreement with NRC, as shareholder;
- Establish a clear business plan which reflects the agreed SOI;

- Establish a clear performance framework and job description for the Chief Executive Officer;
- Approval of detailed operating, capital and cashflow budgets;
- Attend regular meetings to review performance and progress towards set objectives and budgets; and
- Operation of appropriate Board subcommittees to appropriately manage Risk, Compliance, Remuneration and Board performance.

The Board believes regular communication with NRC is important to ensure good governance. The Board and Chief Executive will use their best endeavours to communicate in a regular and timely manner and ensure that matters are raised so there will be 'no surprises'. Established processes will be maintained to ensure regular contact between the Board, management and NRC, and informal meetings will be encouraged to ensure regular communication flows regarding matters of mutual interest.

7 Accounting policies

The accounting policies that have been adopted are detailed in the company's latest audited financial statements. A copy is included as **Appendix A**.

8 Information to be provided to the Shareholders

Directors will formally report progress against the SOI to NRC quarterly via a written report submitted within six weeks of the end of the 1st and 3rd quarters, and attendance at a Council meeting thereafter as per the NRC schedule.

In compliance with Section 66 of the Local Government Act 2002 the Directors will, within two months after the end of the first half of each financial year, deliver to NRC an unaudited half year report containing:

- a Statement of Performance, Position and Cash flow as at the half year balance date
- financial forecasts for the full year and comparison to approved budgets
- commentary on progress to meeting performance targets and the expected year end position.

In accordance with Clause 2 of Schedule 8 the Directors will deliver a draft SOI to NRC as the shareholder by 1st March of each year for the subsequent three-year period.

In accordance with Clause 3 of Schedule 8 the Directors will deliver a Board approved SOI to NRC as the shareholder on or before the 30th June of each year.

In compliance with Section 67 of Part 5 the Directors will, within three months of the end of the financial year, deliver to NRC an audited Annual Report which meets the requirements of Section 68 and Section 69 of Part 5. In addition, the Annual Report is to contain a declaration by the Board as to the compliance with the Act and specifically that the requirements of Schedule 8 have been met.

9 New entries, acquisitions and sales

Directors may not create any new legal entity, acquire shares or any equity interest in any existing legal entity or sell any interest held by Northland Inc without the specific approval of the NRC as the shareholder.

10 Activities for which local authority funding is sought

Northland Inc reserves the right to seek compensation from time to time for the necessity to provide any service required by the NRC where funding has not been previously agreed.

11 Any other matters

Northland Inc can request NRC hold a confidential Council meeting for discussion about commercially sensitive matters, subject to this request meeting the requirements of section 7(2) of the Local Government Official Information and Meetings Act 1987. Any report submitted by Northland Inc for NRC's formal consideration needs to be accompanied by advice to Council from NRC's Chief Executive.

12 Financial information

A prospective statement of financial performance is included below.

NORTHLAND INC Forecast Prospective Statement of Financial Performance				
Income	20/21 Forecast	21/22 Forecast	22/23 Forecast	Notes
NRC Funding	\$ 1,365,266	1,395,302	1,361,327	
Orchard Income	\$ 144,420	144,420	144,420	
NZTE & Callaghan	\$ 339,531	339,531	339,531	
WDC	\$ 105,000	105,000	105,000	
KDC Kai Hub	\$ 143,600	-	-	
NIF	\$ 59,000	59,000	59,000	
FNDC	\$ -	-	-	
KDC	\$ -	-	-	
I&GR Project Development Fund	\$ -	300,000	300,000	1
Extended Regional Promotions (NRC)	\$ 200,000	-	-	2
Extension 350 Project (NRC)	\$ 100,000	32,600	-	
DMM Website Income	\$ 27,000	27,000	27,000	
International Marketing Group	\$ 37,500	37,500	37,500	
Extension 350 Partner funding	\$ 346,500	211,700	-	
MBIE (Action Plan TTNEAP)	\$ 50,000	-	-	3
Creative HQ	\$ 25,000	-	-	
Total income	\$ 2,942,817	2,652,053	2,373,778	4
Project Expenses				
NIF	\$ 60,000	60,000	60,000	
I&GR Project Development Fund	\$ -	300,000	300,000	
Extension 350 Project Delivery	\$ 298,725	155,220	-	
Business Grow RPB Delivery	\$ 98,620	30,000	30,000	
Total Project Expense	\$ 457,345	545,220	390,000	
Activity Expenses				
Destinational Management & Marketing	\$ 147,000	147,000	147,000	
MED	\$ 109,000	109,000	109,000	
The Orchard	\$ 7,000	-	-	
Total Project Expense	\$ 263,000	256,000	256,000	
Salaries & Overheads				
Salaries	\$ 1,581,746	1,237,171	1,160,246	
Overheads	\$ 639,766	613,326	566,770	
Total Salaries & Overheads	\$ 2,221,512	1,850,497	1,727,016	
Total Expenses	\$ 2,941,857	2,651,717	2,373,016	5
Total Net Surplus	\$ 960	336	762	
Notes 20/21:		Notes 21/22 & 22/23:		
1 - NRC Project Development funding ceased for year		1- Assuming NRC Project Development funding reinstated		
2 - Final year of Extended Regional Promotions funding		4 - Only confirmed funding has been included		
3 - Action Plan funding ceases Sept 20 in accordance		5 - Resources & activity reduced to align with		
4 - Only confirmed funding has been included		funding levels		

Appendix A: Northland Inc Accounting Policies

1. Statement of Accounting Policies

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ PBE IPSAS with RDR) and other applicable Public Benefit Entity Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large. The entity transitioned to PBE Standard Tier 2 from 1st July 2016.

The financial statements have been prepared in accordance with the Local Government Act 2002, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP"). [LGA. 111].

The entity is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

CHANGES IN ACCOUNTING POLICIES

Previously adopted Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). The impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

Appendix B: Supporting Information for Northland Inc Statement of Intent

Introduction

The Statement of Intent for Northland Inc contains Key Performance Indicators (KPI's). The rationale for choosing the KPI's and the method in which these indicators are reported on is not always clear, and therefore this document provides more detail around the KPI and the method of reporting.

Rationale

KPI's need to have a solid rationale, clear line of site back to the activities of Northland Inc, be simple to understand and be measurable. The KPI's within the Statement of Intent are a mixture of Inputs, Outputs and Outcomes. Some are under the direct control of Northland Inc and some are influenced by Northland Inc activity. It is important to have a least one indicator for each work programme area and where possible a mixture of the different type of indicators. A brief explanation of the rationale for each KPI is provided below.

KPI's

The KPI's are as follows:

(Note these have been numbered for ease of reference within this document)

1. Post Covid Economic Recovery
 - a. Development of a long term economic development strategy for the region
2. Investment and PGF
 - a. Percentage of IGR business case approvals (by the Board) made within 90 days of receiving application
 - b. Number of inward delegations hosted
 - c. Investment recommendations are accompanied by a robust business case
 - d. Number and value of high impact projects that are implemented
3. Engagement Collaboration and Visibility
 - a. Number of unique businesses assisted (by TA and industry)
 - b. Value of NZTE and Callaghan Innovation grant funding facilitated
 - c. Client satisfaction (as measured by Net Promoter Score)
 - d. Number of unique Māori businesses assisted (by TA and industry)
 - e. Value of NZTE and Callaghan Innovation grant funding facilitated for Māori businesses
 - f. Orchard occupancy rate
4. Regional promotion and tourism
 - a. Visitor spend from target markets
 - b. Value of industry investment in regional promotion activity
 - c. Equivalent Advertising Value achieved from destination marketing

Rationale and Methodology for Individual KPI's

- 1.a Rationale: Outcome measure – indicates the region has a long term strategy in place and Northland Inc is central that development and delivery process.
Methodology: long term strategy document completed.

- 2.a Rationale: Output measure – indicates the efficiency within which the project management office receives, processes and outputs work.
- Methodology: Evidence for KPI is Northland Inc Board minutes.
- 2.b Rationale: Input measure – indicates that the region is attractive for inward investment. Suggests that the Landing Pad and regional promotion activity are functioning.
- Methodology: Evidence for KPI is the number of meetings held and details of attendees.
- Inward delegation is a reference to an expression of interest from a reputable company (national or international) who is interesting in investing in the region. The KPI is achieved when Northland Inc participates in the hosting (meeting) of the company's representatives (delegates). Note that often Chinese delegates are hosted jointly with Councils as this is the preferred way to establish a relationship with Chinese culture.
- 2.c Rationale: Outcome measure – measures the quality of the project management office procedures and assessment.
- Methodology: Evidence for KPI is Northland Inc board minutes recording decision to recommend investment (either to Council for the Investment and Growth Reserve or to another investment fund). Note that this KPI is intended to include applications to the Provincial Growth Fund that Northland Inc supports. Evidence of robust business case is that no further work is required on the business case to make a decision.
- 2.d Rationale: Outcome measure – ensures the work area is aligned with the vision and mission.
- Methodology: High Impact projects are projects that are likely to make a significant contribution to their sector in one or more of the following areas: employment, training, GDP, household income, sector strength diversity, research and development. All projects are assessed using standardised internal processes to understand the potential impact/contribution.
- 3.a Rationale: Input measure – measures the volume of work being generated and processed.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is presented by TLA and industry.
- 3.b Rationale: Output measure – provides evidence that the engagements in the previous KPI are resulting in positive activity.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. (Recommended that the annual report include comparison against other similar regions)
- 3.c Rationale: Outcome measure – independent verification that the services within this work programme are of success.
- Methodology: A widely used customer loyalty or satisfaction metric used to measure success across NZTE services. It is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.
- 3.d Rationale: Input measure – measures the volume of work being generated and processed.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is to be presented by TLA and industry.

- 3.e Rationale: Output measure – provides evidence that the engagements in the previous KPI are resulting in positive activity.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database.
- 3.f Rationale: Outcome measure – indicates the level of support within the Economic Development sector in Whangarei for the Orchard co-working space.
- Methodology: Orchard occupancy rate is based on the percentage hours per week that desk space is occupied for, using a 40 hr working week as standard. Northland Inc and the Chamber of Commerce (both being tenants in the Orchard space) are not included in this calculation.
- 4.a Rationale: Outcome measure – indicates sector wide trends and indicates if the Regional Promotion and Tourism work programme area is achieving change (although not suggesting a direct link)
- Methodology: Visitor spend is recorded through the MBIE monthly regional tourism expenditure estimates. Target markets are Domestic.
- 4.b Rationale: Input measure - Indicates industry support for the work programme area.
- Methodology: Evidence for KPI is recorded through direct payments to Northland Inc for joint marketing activity undertaken and/or payments made to contracted companies for website, media, print material.
- 4.c Rationale: Output measure – indicates direct value add from work programme activity
- Methodology: Equivalent Advertising Value is calculated using standard methods utilised in the public relations and communications industries. These methods measure the size of the coverage gained, its placement and calculates what the equivalent amount of space would cost.



30 June 2020

Penny Smart and Malcolm Nicolson
Chair and Chief Executive Officer
Northland Regional Council
Private Bag 9021
Whangarei 0148

Sent by email: Pennys@nrc.govt.nz
malcolm@nrc.govt.nz

Dear Penny and Malcolm

Northland Inc Statement of Intent 2021 - 2023

Please find attached Northland Inc's Statement of Intent (SOI) for the three-year period 2020/21 – 2022/23. This SOI has been approved by the Board for submission to Northland Regional Council, as our shareholder, as required under the Local Government Act 2002.

As requested, we also provide a copy of our annual Business Plan for 2020/21 which includes breakdown of income and expenditure by workstream.

We value the feedback provided by the Council in your letter dated 30 April and the workshop of 2 June 2020, and the ongoing dialogue and conversation during these times of significant change as we enter into the economic recovery phase post COVID-19. These conversations provide valuable opportunities to discuss our shared regional objectives and the approach to best support economic development and tourism promotion across the region, and we look forward to this ongoing communication.

We have sought to incorporate your feedback in the letter dated 30 April within our final SOI, and trust that the workshop discussion, and subsequent correspondence, has provided the opportunity to clarify key queries raised within your letter.

Specifically, we acknowledge the direction that environmental sustainability and climate change are a strong emphasis for the Council, and have reinforced this within our SOI, Business Plan and operating protocols.

Our SOI and Business Plan have been prepared on the basis of committed funding sources at this time. As Council is aware, this means that that TTNEAP funding, and accordingly activity, ceases in September. However, we remain committed to identifying alternative sources of funding for this activity, and associated resources as we enter the 2020/21 financial period. We will continue to keep you updated regarding the delivery and support of TTNEAP as the situation evolves.

As highlighted by the Council, the later two years of the SOI reflect the end of the three-year Extended Regional Promotions funding on 30 June 2021, and we are planning on this basis. However, given the impact of COVID-19 upon the tourism sector, our Business Plan targets securing additional funds within the 2020/21 year to further support recovery in this sector, with the expectation that we continue to identify alternative funding streams into future years for Destination Management Planning and Promotion. However, as you will appreciate, there continues to be considerable uncertainty within this sector at present, so workstreams and activities remain flexible at this time.



P 09 438 5110

93 Cameron Street, PO Box 1762, Whangarei 0140

www.northlandnz.com



For clarification, this final SOI specifically provides for Māori Economic Development spend within Section 12. We expect this spend to be predominantly focussed on building organisational capability for Te Reo and Te Ao Māori, including learning and development expenditure, and specialist skills and expertise required to embed Māori Economic Development across our organisational workstreams as outlined in our Business Plan.

Our final SOI and Business Plan reflects the current environment, however, as acknowledged by Council, it is a fluid time with ongoing changes as we respond to the economic impact experienced in Northland as a result of COVID-19 and adapt activities and interventions for maximum impact. Therefore, we welcome the opportunity to continue dialogue with Council throughout the year, and acknowledge that modifications may be necessary, as allowed by legislation and agreed with Council, to respond to material changes that arise.

We look forward to working closely with the Council during your Long Term Plan development, and continue to be available to provide any economic insight or analysis that may support Council decision-making and discussions at this time. We continue to be confident that Northland is well-positioned to respond positively to the COVID-19 situation, and this will only be enhanced by the strong collaboration with key stakeholders that has developed during the COVID-19 response.

Yours sincerely

Sarah Petersen
Chair

Murray Reade
Chief Executive Officer



TITLE: Chair's Report to Council

ID: A1332865

From: Penny Smart, Chair

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 2020.

Recommendation

That the report 'Chair's Report to Council' by Penny Smart, Chair and dated 1 July 2020, be received.

Strategic issues

\$100 million for Kaipara Moana

Certainly, the standout event this past month for NRC and Northland is the Central Government's money for the remediation of the Kaipara Harbour and surrounding catchments. The immediate as well as long-term impacts of this funding for 'at pace and at scale' remediation is what Tangata Whenua, communities and councils have been working towards for a number of years. It is very heartening that it has now been achieved. There is a lot of work ahead; however, I am sure that given the overall goal the necessary support and mahi required will be evident in bucket loads.

More Central Government monies to come

Indications as I write are looking good for more Central Government monies coming into Northland in the form of Shovel Ready Infrastructure and Environmental Employment Ready projects. It is great to see such opportunities opening for Northland.

A number of the projects receiving funding, NRC will have a role in. As a council we are all looking forward to working with Tangata Whenua, communities and agencies to have them progress and achieve their goals.

Busy with business as usual

Councillors have been keeping busy this last month with Working Party and Subcommittee meetings and workshops. We also had some facilitated Change and Resilience training and a facilitated Strategy Planning Day. Both were worthwhile and learnings will be well used over the coming year with both post COVID-19 impacts and Long Term Plan decisions.

Meetings/events attended

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

- Meetings attended with the council's CEO, Malcolm Nicolson:
 - Hapu blessing of Kaipara Service Centre site.
 - Sod turning ceremonies at Puketona and Kawakawa intersections with NZTA staff and Hon Shane Jones. Councillors John Bain and Rick Stolwerk also attended.
 - Regional Sector virtual meeting with Mayors and CEOs.
 - Catch up meeting with Murray Jagger, Marsden Maritime Holdings.

- Hon John Carter and Shaun Clarke, Far North District Council - funding discussion Hokianga Reference Group.
 - Discussions with Geoff Henley – next strategy day.
 - Laura-Kate Petersen, MPI; Sheryl Mai, Mayor, WDC; GM – Environmental Services, Bruce Howse; and Farm Monitoring Manager, Rachael Anderson – MPI funding.
 - David Cochrane and Jonathan Slater, Simpson Grierson – MMH directors.
 - Trevor Griffiths and Ben Tomason, Griffiths and Associates; Mayor and CEO, Whangarei District Council; Mark Binns, Chair Crown Infrastructure Partners – Oruke Landing.
- Regular Mayors and Chair catch up meetings.
 - COVID-19 climate response – regional council/central government.
 - Steven Finlay, Local Government New Zealand – CEO’s performance review.
 - Catch up meeting with Sarah Petersen, Northland Inc.
 - Meeting with MPI, district council mayors, Rural Support Trust, Fonterra and Federated Farmers – MPI funding.
 - Peter Miskimmin, Sport NZ - update on sport and active recreation funding initiatives.
 - Meeting with Trustpower, Northland Mayors and Steve Macmillan, Northpower – TPM.
 - Trevor Griffiths and Ben Tomason, Griffiths and Associates; Mayor and Deputy Mayor, Whangarei District Council; Stephen Smith, North Chamber – Oruke Landing.

Correspondence

During June I sent out the following correspondence:

Date	Addressed To	Subject
02.06.2020	Hon Shane Jones Minister of Forestry, Infrastructure and Regional Development	Increasing drought resistance in Northland rural areas

Attachments/Ngā tapirihanga

Nil

TITLE: Chief Executive's Report to Council

ID: A1334342

From: Malcolm Nicolson, Chief Executive Officer

Recommendation

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, Chief Executive Officer and dated 30 June 2020, be received.

8.2.1 HIGHLIGHTS

Te Tai Tokerau Worker Redeployment Package

- *NRC Rivers & Beaches Vegetation Clearance and Clean-ups*
 - A contract was awarded to Johnson Contractors to undertake \$200,000 of tree / vegetation clearance and rubbish clean ups
 - Ten plus sites have already been identified for clean-up in various locations in the mid-north and Hokianga areas - forward work for the month will focus on this
 - Johnson Contractors will work with MSD to employ ten people for up to 3.5 months for this work, starting on 6 July
 - Traffic Management Plans and Road Corridor Access Request will be arranged with FNDC

Sea Cleaners Update

- Had a busy month cleaning up Northland's waterways and collected 63,450 litres of marine debris
- With these stats Sea Cleaners have reached a milestone of 1,042,510 litres collected in total from Northland with 8,406 volunteer hours

8.2.2 CEO'S OFFICE

Council Property Update

- The total commercial tenant rent and outgoing relief extended over the Alert Level 3 and 4 periods was approximately \$63,500 + GST. The total rent relief for subtenants on ground leases over the Alert Level 4 period was approximately \$13,900 + GST. The process and decisions have now closed
- Kensington Crossing's GP medical tenancy has been successfully handed over and the official opening of the greater redevelopment is planned for Monday 3 August 2020
- The Kaipara Service Centre Head Contract tender has been awarded to Canam Commercial Limited, involving 75% local subcontractor content by value. Test piling is to begin in July 2020 and project commitment is contingent on the results
- The transfer of Marsden Point Rail Link properties from council to full Kiwirail ownership has settled with the Flyger Road poplar nursery being retained by council

Current Legal Proceedings

Department	Description	Status
Consent decision appeal	Replacement consents for, and new consents for an expansion of, Doug's Ōpua Boat Yard in Walls Bay, Ōpua.	No further update.

Department	Description	Status
Consent decision appeal	Replacement discharge consents for East Coast Bays Wastewater Treatment Plant (Taipā)	First day of Court assisted mediation has been set down for 13 July 2020. An additional day of mediation is likely to be scheduled in August 2020.

8.2.3 CORPORATE EXCELLENCE

Year-end Draft Accounts

The Finance team are currently working hard towards completing the 2019/20 year-end draft accounts for audit review, hence there is no financial report included in the July 2020 council agenda. These draft annual accounts will be presented to the August council meeting. Deloitte will be onsite from 24 August until early September completing their review of the final accounts, which are set to be given audit clearance and be adopted by council at the council meeting on 19 October 2020.

Fraud Declaration

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

Cyber Security

There was a significant reduction in the number of security events detected during June, from thirty in May to ten in June. This is a direct result of most staff now returning to working from the office where all internet traffic is monitored by the firewall. The ten events for June were all categorised with a severity of low.

A distributed denial-of-service (DDoS) was launched against a council website that is hosted alongside the council's website on Sunday 5 July 2020. The result of the attack was to overload the server processor (CPU) hosting the websites. The graph below whows the CPU usage shooting from the normal 5 – 10% range to 100%.



The impact was that the website was partially unavailable until the attacks were completely blocked and additional DDoS protection software was implemented on Monday 6 July. Normal operation of the website was restored by Tuesday 7 July.

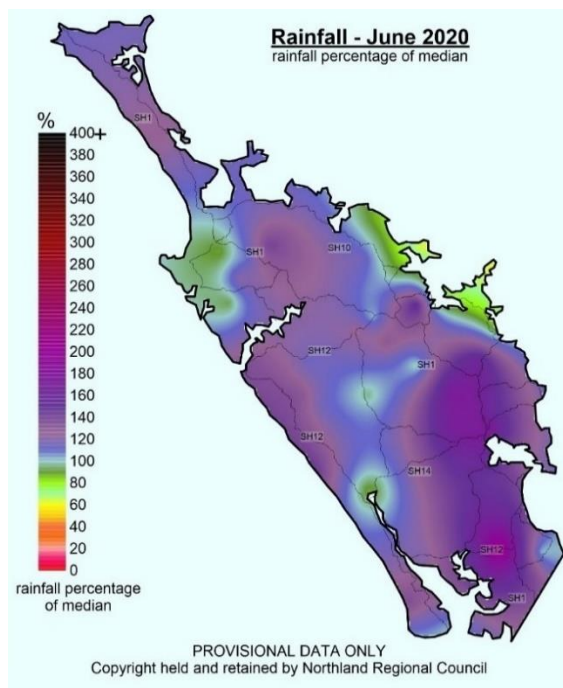
8.2.4 REGULATORY SERVICES

COASTAL / WATER QUALITY FIELD OPERATIONS

- All routine monthly water quality and ecological programmes were undertaken, including:
 - Four coastal water quality sampling runs
 - Nine river water quality, priority catchment and periphyton sampling runs
 - Five continuous freshwater quality stations validated

- Council's two automated sediment samplers at Hātea River and Otaika River were triggered by high turbidity within the river on multiple occasions. The automated samplers take samples through the course of a storm event to calculate sediment loads from these catchments.
- Nine lake level sensors were moved this month following the lake levels dropping below current sensor limits during the past summer.
- Staff continued to undertake inanga spawning site mapping during the spawning season.

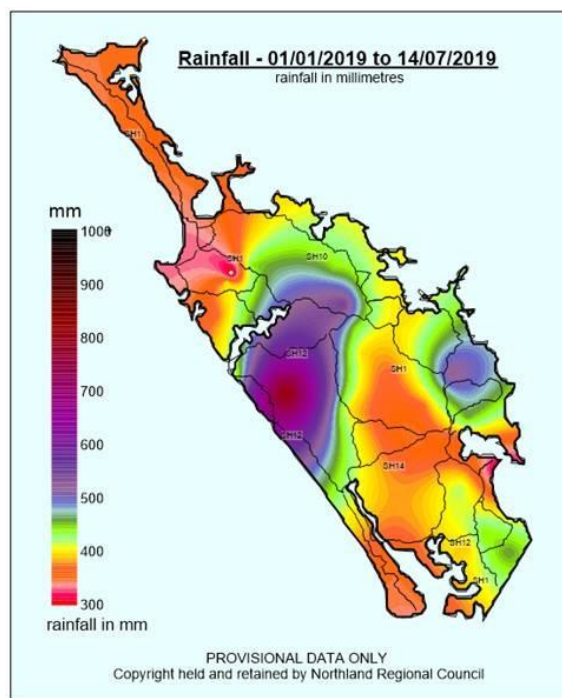
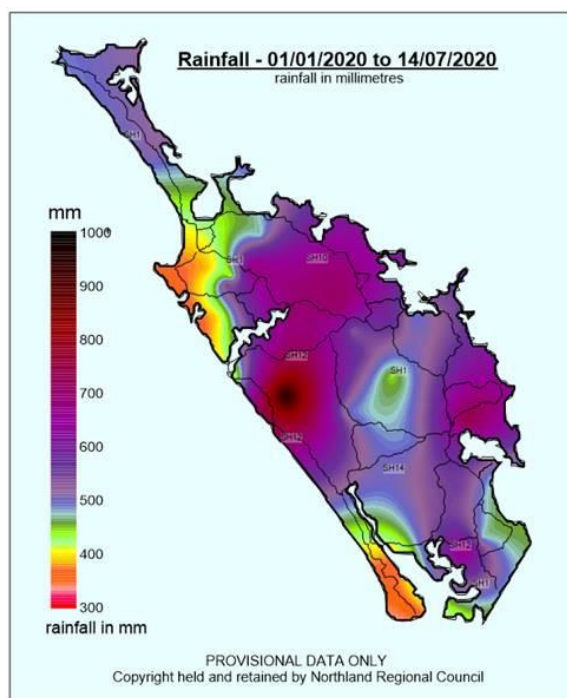
HYDROLOGY



Rainfall

- June 2020 was a wet month for Northland and the second month in a row with above normal rainfall on the east coast catchments of Northland
- A high number of rain days were recorded, typical of June, with only one day of the month recording no rain in any part of the region
- The bulk of the rain fell as a low moved east from the Tasman and across Northland on 24 June with north-easterly winds and showers/rain particularly on the east coast. A second front from the same system delivered more rain to Northland on 26 June
- The SPI index for Northland still shows that the region is extremely dry when considering conditions over a longer period

For the first half of 2020 Northland has received -23% to -50% less rainfall than typical for this period. But we are in a much better position than for the first half of 2019 with many areas receiving nearly double the rainfall in 2020 compared to the same period in 2019. The exceptions are the Awanui catchment, Dargaville, Ruawai and the Pouto Peninsula which have recorded similar dry conditions in 2020 as they did in 2019.



River Flows

- River flows were in a much healthier state compared with last month. All rivers are currently flowing above Mean Annual Low Flows and have been for most of the month, since the weather event at the end of May and beginning of June.
- Monthly flow statistics hadn't been reviewed at the time of reporting, but it appears that flows for the month will be normal or above normal.

Weather Forecast - Long Range

- The low-pressure systems that have brought rain to Northland for the second half of May and through June are likely to continue through July, but the region may receive slightly less rainfall than normal for the month. August and September are forecast to be unusually dry and there is a chance that these dry conditions may extend into October.

Monthly anomalies (deviations from normal)	Jul-20	Aug-20	Sep-20
Kaitiāia temperature anomaly (Celsius)	0.4	0.3	0.1
Kaikohe temperature anomaly (Celsius)	0.4	0.3	0.1
Whangārei temperature anomaly (Celsius)	0.4	0.3	0.1
Dargaville temperature anomaly (Celsius)	0.4	0.3	0.1
Kaitiāia rain anomaly (mm)	-5%	-24%	-27%
Kaikohe rain anomaly (mm)	-9%	-17%	-29%
Whangārei rain anomaly (mm)	-6%	-14%	-25%
Dargaville rain anomaly (mm)	-4%	-28%	-26%
Circulation anomaly (NZ)	ridge over Northland	High pressure blocking over NZ	
Wind anomaly (Northland)	W	variable (under the high)	

Hydrology Projects

- Flow data processing for the steady state modelling project continued through June and was completed by the end of the month.

NATURAL RESOURCES DATA

- LAWA: detailed timelines and review steps have been released for the “Annual Refresh 2020” for rivers, lakes and groundwater. The main tasks have to be completed in July and August 2020.
- The Natural Resource (NR) Data Team is processing a number of large data requests linked to the drought analysis, Regional Water Quality Model (steady state and contaminant loads for NPS-FM) and the Aupōuri aquifer model update 2020.
- At a national level, the “Data Mobility (Electronic Field Capture) Working Group” was formed as part of RECOCO projects to improve New Zealand’s environmental data. The NR Data Team is reviewing the current hydrology electronic field forms to align them with the national templates. Further changes and additional sections are required to make the forms suitable for NRC’s purposes.
- The NR Data Team is working with the online services team to update the platform for displaying environmental data on the council’s website.
- The water use reporting season has begun, and an increasing number of records are now received via the online water meter system and telemetry. The NPSFM, released on 28 May, highlights that water users with consents to take more than 5 litres per second have to install a unit on their water meters to electronically record water use and then transmit this data to councils at high frequency. NRC already has systems in place to receive water use records real-time.

NATURAL RESOURCES SCIENCE

Freshwater

- NR Science staff were mostly busy with the review of our existing monitoring networks for river and lake water quality. The networks are being reviewed against the monitoring objectives listed in the Proposed Regional Plan and the NPSFM. Integration of these networks with our other monitoring networks (hydrometric, freshwater quantity, coastal, consents and compliance) are being considered, together with other key regional and national initiatives, is also being considered.
- Several scenarios are being tested to reach a balanced and optimum network size which would enable council to have a better understanding of the current state of Northland’s water resources and implement national policy with greater efficiency.

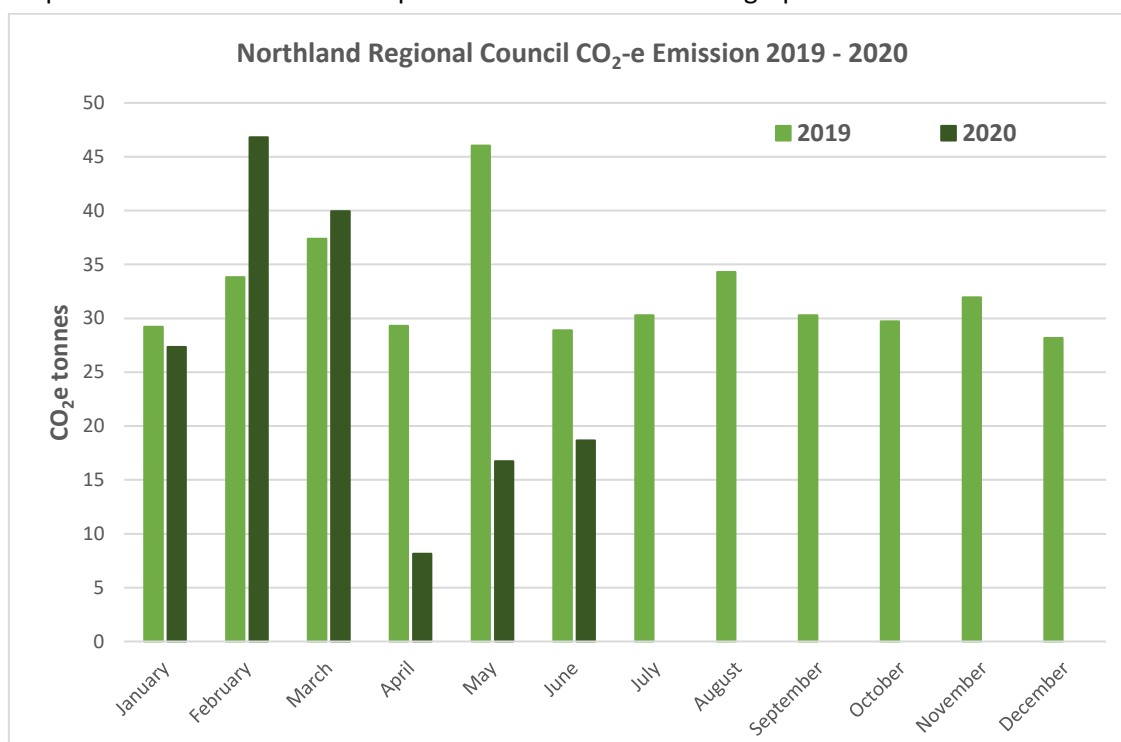
Freshwater Ecology

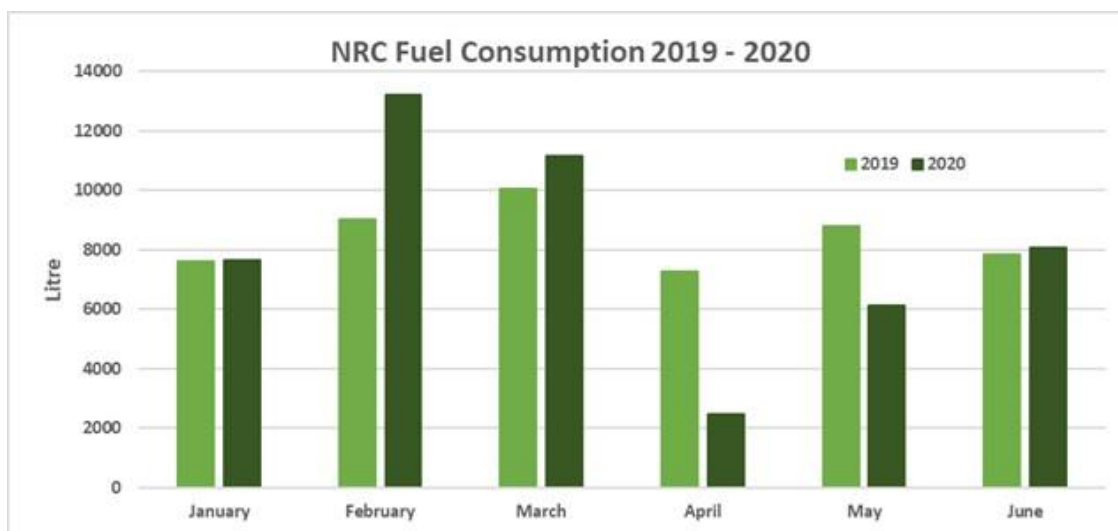
- Good progress was made during June on the first stage of research into the ecological impacts of the 2020 drought.
- Massey University is working to establish the background condition of ecological communities prior to evaluation of SOE 2020 drought data. This will help establish current state and trends, eg. some sites may have already been exhibiting declines or improvements in ecological health prior to the 2020 drought.
- This will facilitate analysis of the drought 2020 SOE data when it is available in August.

Air Quality

- Ambient PM₁₀ monitoring results for May 2020 for the Whangārei and Marsden Point airsheds and Kawakawa township show that compliance was met with the National Environmental Standards for Air Quality. Ambient PM_{2.5} monitoring results for Whangārei were within the Ambient Air Quality Guideline value.
- Progress was made on the air quality monitoring network review.
- An Envirolink grant project report from NIWA has been received. The report:

- Ranked Northland's five airsheds from potentially highest to lowest concentrations of PM_{2.5}: Whangārei, Kaitiāia, Dargaville, Kerikeri and Marsden Point.
- Provided a high-level assessment of potential hotspot locations suitable for air quality monitoring sites (to comply with National Environmental Standard for Air Quality).
- Recommended that Mairtown in the Whangārei airshed would be a better location for particulate monitoring than council's current location at Robert Street.
- As recommended by the NIWA report, we are currently looking for a suitable PM₁₀ monitoring site in Mairtown, Whangārei to relocate the mobile PM₁₀ monitor from Kawakawa. The current plan is to monitor PM₁₀ from Robert Street and Mairtown for a year and compare the results. If Mairtown PM₁₀ concentrations are higher than Robert Street, we will relocate the Robert Street monitors to Mairtown.
- Council's CO₂-e (carbon dioxide equivalent) emission is presented in the graph below. The graph shows a comparison of council's monthly emission of CO₂-e between 2019 and 2020. The effect of lockdown can be seen with reduced emissions in April and May. The graph is based on live data and numbers for last few months and are subject to change as we are yet to receive power bills and some fuel card invoices for April and May.
- Elevated CO₂-e emissions in February 2020 are associated with increased fuel consumption. The increase could be the result of increased activity, and mileage, associated with the drought response. Council's fuel consumption is shown in the second graph.



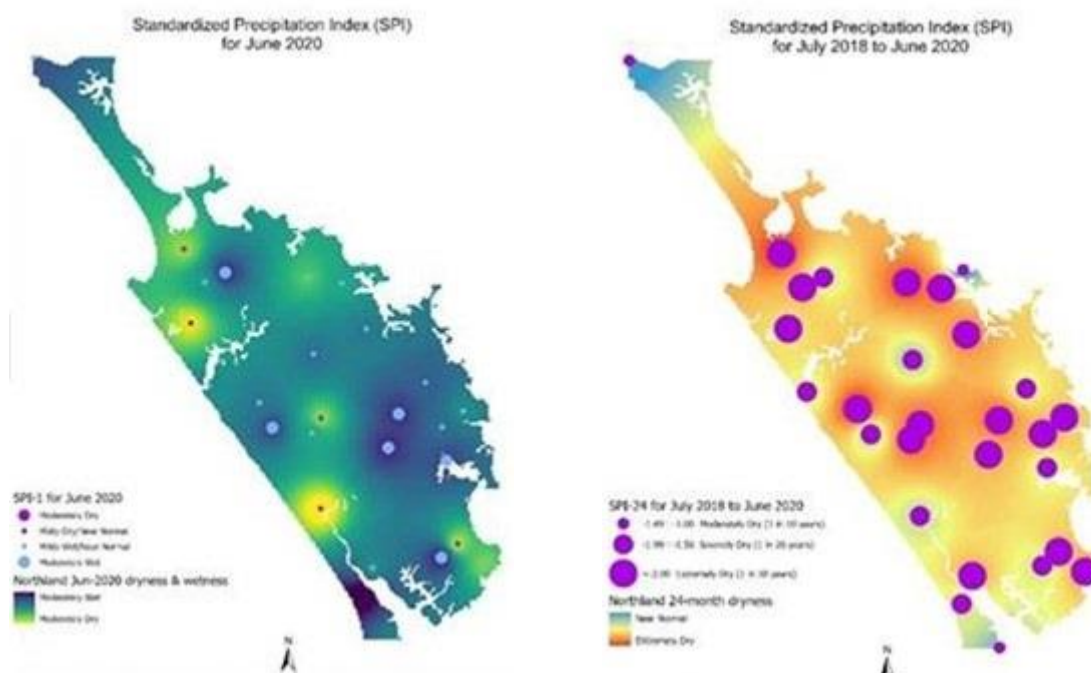


Marine

- eCoast has completed a hydrodynamic model of the Whangārei Harbour that can be used as a tool for assessing the impact of stormwater discharges on water quality in the harbour.
- A year-long stimulation of stormwater discharges was also undertaken to assess the dilution of contaminants over a range of mixing zones.
- The model outputs have been used to produce a table of dilutions at four mixing zones (10m, 20m, 30m and 50m) for one- and two-year return interval rainfall events. These tables can now be used by the Consents team when assessing consent applications and when setting consent limits for stormwater discharges into the Whangārei Harbour.

Surface Water Quantity

- The meteorological drought maps (below) indicate that in June 2020, most Northland areas ranged from mildly to moderately wet, while the Rotokakahi and Dargaville areas were very close to normal. However, the accumulated dryness over the past 24 months, from July 2018 to June 2020, remained at severe to extreme levels region wide.



- Hydrological drought indication maps for June 2020 will be delivered in July after data processing has been completed.

Consents in Process

During June 2020, a total of 84 decisions were issued. These decisions comprised:

• Moorings	7
• Coastal Permits	33
• Air Discharge Permits	1
• Land Discharge Permits	11
• Water Discharge Permits	0
• Land Use Consents	13
• Water Permits	11
• Bore Consents	8

The processing timeframes for the June 2020 consents ranged from:

- 172 to 3 calendar days, with the median time being 32 days;
- 100 to 3 working days, with the median time being 20 days.

Fifty-five applications were received in June 2020.

Of the 121 applications in progress at the end of June 2020:

- 54 were received more than 12 months ago (most awaiting further information from the applicant);
- 9 were received between 6 and 12 months ago (most awaiting further information from the applicant);
- 58 less than 6 months.

Appointment of Hearing Commissioners

The following commissioners were appointed in June 2020:

- Dr Rob Loeffering for consents associated with coastal structures and dredging. The hearing is scheduled for 3 August 2020.
- Mr David Hill and Mr Peter Callander for consents associated with 24 groundwater takes from the Aupōuri aquifer. The hearing is scheduled for 31 August 2020.

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 2020 is (by number):

• Applications Publicly/Limited Notified During Previous Month	1
• Progress on Applications Previously Notified	8
• Hearings and Decisions	0
• Appeals/Objections	2

COMPLIANCE MONITORING

The results of compliance monitoring for the period 1 - 30 June 2020 (and year-to-date figures) are summarised in the following table and discussed below.

Classification	Total	Full compliance	Low risk non-compliance	Moderate non-compliance	Significant non-compliance	Not exercised during period
Air discharges	73	46	9	4	3	11

Classification	Total	Full compliance	Low risk non-compliance	Moderate non-compliance	Significant non-compliance	Not exercised during period
Coastal permit	183	116	19	16	2	30
Discharge permit	222	132	35	17	8	30
Land use consent	102	63	11	5	0	23
Water permit	163	94	44	18	1	6
Total	743	451	118	60	14	100
Percentage		60.7%	15.9%	8.1%	1.9%	13.5%
Full year	9,403	7,051	952	591	257	YTD
Percentage		75.0%	10.1%	6.3%	2.7%	5.9%

Coastal

The majority of consents monitored during the reporting period related to coastal structures, dredging and coastal discharges from treated municipal sewage, industrial and boat maintenance facilities.

Water, Waste, Air and Land Use (WWALU) compliance monitoring

- General*

Two compliance officers attended the Hikurangi Swamp Scheme meeting in late June. No matters discussed at the meeting required follow-up by the council.

- Water use*

Recovering groundwater systems and stream base flows has eased staff workloads, although staff were still responding to enquiries from people who were aggrieved that their water supply ran out through the drought. Staff are now turning their minds to preparing a regional drought response management plan, particularly for managing more severe droughts, using what we have learnt over the past eight months.

- Wastewater*

No major issues have been identified during wastewater treatment plant inspections that were undertaken post lockdown.

A visit to the former Tangiteroria Tavern site was made in June. The property owners have installed an irrigation system to address longstanding wastewater discharge issues. The system received approval from the KDC building team. Water quality sampling will be undertaken in the near future to assess the effectiveness of the system.

- Forestry and Earthworks*

Forestry and earthworks operators continue to make up for lost time and our officers have been in high demand to approve work on sites prior to the weather window for earthworks closing. There have been some concerns raised by the general public about some development sites in built-up areas in Whangārei, however, follow-up investigations have not found any major issues arising from those sites.

There are several small-scale forestry contractors operating in Northland that do not currently participate in the Northland RMA Forestry Group. These contractors have, in some instances, been found to be doing work that falls outside the NES-PF rules and which is also not covered by

our regional plan rules. We will be encouraging these contractors to participate in the RMA Forestry Group to facilitate good forestry work practices throughout Northland.

- *Waste management*

Four incidents involving the discharge of hazardous substances and eighteen enquiries regarding contaminated land were received and responded to. Two sites were added to the Selected Land-use Register (SLR). Four hundred kg of hazardous waste was disposed of during the reporting period.

Two quotes were received by hazardous substance disposal experts to assist with the proposed changes to the hazardous waste disposal programme. Once a supplier has been chosen, the new collection regime will be publicised to advise the public of the changes.

Environmental incidents

There were no incidents recorded during the reporting period that resulted in a significant environmental impact.

ENFORCEMENT

Abatement notices, infringement notices and formal warnings

The following enforcement actions were taken during the period:

Nature of Offence	Infringement Notice		Abatement Notice		Total*	
	No. Offences	No. Notices	No. Offences	No. Notices	No. Offences	No. Notices
Burning & smoke nuisance	0	0	3	4	3	4
Illegal activity in coastal marine area	0	0	1	1	1	1
Sediment	0	0	1	1	1	1
Total	0	0	5	6	5	6

*An infringement notice and an abatement notice may be issued for the same offence. This means that in the above table, Column 5 (Total No. Offences) is not necessarily the sum of Column 1 (Infringement Notice No. Offences) + Column 3 (Abatement Notice No. Offences).

Other Enforcement

- *Farm dairy effluent – Pūrua*

Charges were laid against a farm owner and his company, as well as the farm manager and his company, for offences which occurred in August 2019. There are five charges against each of the four defendants. The farm has a poor history of compliance with regional rules for animal effluent disposal. Disclosure was provided to the defence lawyers on 5 March 2020. The first appearance date in the Whangārei District Court has been adjourned to 23 July 2020.

- *Sand dune removal – Tokerau Beach*

Charges have been laid against two parties – an individual and his company for offending which occurred in July 2019. The alleged offences include the removal of a sand dune at Tokerau Beach. There are four charges against each of the two defendants. Disclosure was provided to the defence lawyer on 2 March 2020. The first appearance date in the Kaitiāia District Court was on 22 May 2020. Guilty pleas have been entered by the individual, with the charges against the company being withdrawn. Sentencing is scheduled for 23 July 2020 in the Whangārei District Court.

- *Timber treatment plant*

Charges were filed in court on 12 March 2020 for a company and an individual for discharges from a timber treatment processing plant. The plant has a history of poor compliance with resource consent conditions. Disclosure was completed on 2 April 2020. Not guilty pleas were entered on 29 May 2020. The next court date is scheduled for 23 July 2020 in the Whangārei District Court.

- *Earthworks without erosion and sediment controls – Totara North*

Council arranged for the installation of erosion and sediment controls under section 330 of the RMA. A decision on prosecution is pending legal advice. Recovery of council's costs will be sought under the relevant RMA provisions (either in conjunction with a prosecution or separately).

- *Abatement notice appeal – open burning, Orongo Bay*

An abatement notice issued in May 2020 for burning of prohibited materials has been appealed by the alleged offender. All parties have agreed to court assisted mediation, which has not yet been scheduled.

- *Water Shortage Directions (WSDs)*

Recent rainfall has taken the pressure off the water supplies. There were no WSDs in effect by the end of the reporting period.

8.2.5 ENVIRONMENTAL SERVICES

LAND MANAGEMENT

Farm Plan and Environment Fund Update

Farm Environment Plans 2019/2020		Environment Funds 2019/2020*	
FEPs Commenced 2019/20	FEPs Completed 2019/20	No of Environment Funds Granted	Amount Granted
133	158	147	\$1,010,755*

*This includes MfE fund proportion of Hātea projects

With the end of the financial year the time to complete the environment fund projects has ended and a reconciliation of the final figures will be done over July.

Waimā Waitai Waioira – Freshwater Improvement Fund

Objective	Status
Te Kawa Waioira	<ul style="list-style-type: none"> • Interviews conducted via Zoom during COVID-19 restrictions have led to the appointment of two fixed term documentary and oral researchers • COVID-19 restrictions have restricted hui wananga associated with the project, set to begin in September
Farm Environment Plans	<ul style="list-style-type: none"> • 55 Farm Environment Plans (FEPs) have been completed, exceeding the 40 FEP annual KPI
Landowner grants	<ul style="list-style-type: none"> • Tender for planting 65,000 native plants across six sites has closed and contract has been awarded • Planting will begin 13 July
Communication and engagement	<ul style="list-style-type: none"> • Video series – on track • Signed contract in place for web page development - due late September

Objective	Status
Water quality monitoring	<ul style="list-style-type: none"> Signed contract in place with Manaaki Whenua for mātauranga monitoring app development Six new monitoring sites have been established to further monitor mātauranga, feeding information into app development

Sustainable Hill Country and Regional Priorities

Milestones	Status
Research	
Coastal erosion buffers	A research plan has been approved by MPI and a coastal erosion tool utilising remote sensing and LiDAR data is in development.
Mature poplar / willow	A research plan has been approved by MPI and poplar has been milled into a range of products for treatment and mechanical testing.
Farm Environment Plans	
	All 112 plans (100%) have been completed in the 2019 - 20 year. There was a \$55k favourable variance this year on staff wages.
Stakeholder Engagement	
	A project engagement strategy has been approved by MPI. Promotional material is in development including a 'planting hub' on the NRC website.
Land Treatments	
Retirement fencing	\$84k fully allocated covering 15km of fencing with 97ha of land retired, which is 129% of the 75ha target.
Contractor capacity development	A list of contractors interested in planting work has been prepared. Contractor training is delayed until next financial year due to COVID-19, resulting in a \$15k underspend. A proposal to reallocate the \$15k will be submitted to MPI in September.

Hātea Catchment Project

The deed variation to extend this project to 30 September 2020 has been signed by NRC. The largest milestone for the project was reported in mid-June, with a total NRC spend of \$100,132 and MfE spend of \$132,498.

Total action completed so far:

- Fencing 20.2 km
- Plants 18,000
- Troughs 31

Flyger Road Nursery

Harvest completed successfully and all poles delivered. In total, 4,500 poles were allocated to 59 properties across the region. Nursery planting material is currently being processed and collected in preparation for planting to begin on 13 July. Irrigation materials have arrived, and new irrigation lines will be developed over the next three months in preparation for dryer months.

Far North Afforestation Hub Partnership with Te Rarawa

The Land Management team are working with Te Rarawa Commercial Entity, Te Waka Pupuri Pūtea Trust to setup and support an afforestation hub (Kahutia-a-Nuku) in the Far North. The hub is funded through a 1BT partnership grant between the Te Waka Pupuri Pūtea Trust and Te Uru Rakau.

The purpose of the hub is to develop 1BT Direct Landowner grants on behalf of landowners wishing to retire and plant areas of marginal hill country and consequently improving water quality outcomes.

The intention is for NRC to support the hub, through a Short Form Contract, providing support as detailed below:

- Provision of access to systems and software required for the completion of 1BT Direct Landowner Grant applications and the management of data including mapping software.
- Provide mentoring support for the Hub 'Project Developer' role with specific focus on regional rules, good forest design, land use capability and good land use practices.
- Provision of workspace in council's Kaitia office for the 'Project Developer' role.

The Hub concept has many parallel objectives to the Northland Regional Council's existing Land Management programme (improved water quality, soil conservation and climate mitigation) and is an opportunity for council to partner with iwi to extend the level of Land Management Services available to landowners in the Hokianga – Kaitia area.

BIODIVERSITY

FIF Dune Lakes Project

Objective	Status
Aquatic weed and pest fish control	<ul style="list-style-type: none"> • Lake Rototuna was netted with no rudd caught. The lake will continue to be netted every six months for three years to confirm whether rudd have been eradicated. • Organisation for the herbicide operations in the Far North is progressing. A meeting was held with helicopter operators and all relevant documents sent through for final planning. • Dates for NIWA to undertake a pre-operation submerged plant covers have been booked for early September. • A Monitoring Plan peer reviewed by NIWA for the three herbicide treatment lakes was submitted to EPA to fulfil permit conditions. • The Quarter 3 report and invoicing was approved by MfE.
Sediment and nutrient mitigation	<ul style="list-style-type: none"> • A visit was made to Kai Iwi Lakes as part of pre-planning for sediment mitigation actions. • Staff also updated the Taharoa Domain Board Meeting on these plans.
Māori Lakes Strategy	<ul style="list-style-type: none"> • All iwi partners were contacted this month and plans discussed for next year. • Staff assisted Te Hiku Iwi Development Trust with maps and photos for their Dune Lakes Restoration Plan.
Fencing	<ul style="list-style-type: none"> • Nil

Lakes

Annual submerged weed surveillance at Kai Iwi Lakes, which had been delayed by COVID-19 was undertaken. No weeds were detected.

An aerial survey, joint funded by the Department of Conservation, of Poutō lakes was undertaken to look for any additional lakes with possible submerged weeds. This followed the discovery on a remote lake infested with hornwort and egeria. A second lake was identified from the air with possible hornwort and has been since confirmed by a snorkel survey. NRC and DOC are now planning to undertake control operations in both lakes. An iwi representative accompanied the team on the aerial survey.

LIDAR processing has been completed for the lakes sub-catchments, which will be used for on-going planning.

E-funds for Lakes and Wetlands

There has been a good return on E-funds to year-end considering the situation with COVID-19, with six completed and signed-off. However, three were withdrawn, including two for lakes and one for a top wetland. These will be re-applied for in the 2020-21 round.

CoastCare

NRC CoastCare has been working with Tane's Tree Trust on a three-year indigenous coastal forest buffers project. The second year of planting began with the Northland trial sites, north of Waipapakauri - 1,460 trees planted in June, 680 of which were put in at a planting day with Kaitiāia Intermediate School. The trees were provided by Summit Forestry and the NRC Environment Fund and grown at local nurseries, including the Bushlands Trust nursery in Kaitiāia.

BIOSECURITY PARTNERSHIPS

Kiwi Coast

Kiwi Coast worked with council biosecurity specialists, Department of Conservation staff, and community group members to assist with translocation of Northland brown kiwi from the Motuora Island kiwi creche in the Hauraki Gulf.

Eighteen drought affected kiwi were rescued, with six going into the Marunui Conservation Area (Piroa – Brynderwyn High Value Area), eleven into the Pukenui Western Hills Forest, and one into the Whangārei Heads High Value Area.

Beach Girl, one of the rescued Motuora Island kiwi released in the Marunui Conservation Project.



Predator Free Whangārei

A funding acknowledgement for the Predator Free Whangārei project was planned by council staff and held at Barge Park, Whangārei on Friday 10 July. This celebration of the project was attended by Hon Eugenie Sage, Minister of Conservation, Hon Shane Jones, Minister of Regional Economic Development and project partners. This presented an opportunity to publicly announce the creation of the project and celebrate with the community.

WILDING CONIFER CONTROL

Wilding conifer control work funded from the Ministry for Primary Industries COVID-19 allocation is proceeding apace, with 80% of the works complete. The remaining works are expected to be completed by the end of August. The projects are based in the Far North, Kaihū and Whangārei areas.

RIVERS

Long Term Plan Projects

Rivers	Comments
Awanui	JNL Spillway is 95% completed. Archaeology authority, resource consenting, detailed design work and landowner engagement is progressing well. We expect to lodge resource consent 3 July.
Kerikeri-Waipapa	Design work is complete and resource consent is expected to be lodged by mid-July.

NATURAL HAZARDS

Work Streams	Status	Comments
Awanui and Kerikeri Flood Model	100%	The updated flood maps are live on NRC Web page.
Coastal erosion hazard mapping	99% complete	New coastal erosion assessments and updates completed, and draft report and maps delivered
	75% complete	Auckland University is mapping Northland historic shorelines and erosion risk. Now due Sept
Coastal flood hazard mapping	Kaipara Project is 99% complete	Coastal flood model for the Northern Kaipara Harbour complete. Draft report and maps being peer reviewed.
	Regional coastal flood project - 65% complete	Region-wide coastal flood hazard assessment progressing as expected. Report and maps expected end July
Region-wide flood mapping	Design storm project - 50% complete	Project to develop area-specific design storm rainfall characteristics to improve the accuracy of flood models
	Hydro-enforced DEM project - 80% complete	New hydro-enforced digital elevation model – priority catchments delivered and final draft deliverables due July 11
	Region-wide flood model – tender assessment phase	14 submissions for region wide river flood model received; project to be awarded early July for immediate start

CLIMATE CHANGE RESPONSE

Climate Adaptation Te Taitokerau (Regional joint adaptation group)

- *Adaptation Planning*
Cost estimates for adaptation planning costs for NRC and TA's have been developed (70% complete). Work on alignment of LTP programs to fund adaptation planning program between councils is underway.
- *Regional Climate Adaptation Strategy*
Components of strategy to be delivered September 2020. Components being developed by NRC staff include a Regional risk assessment (60% complete) and Adaptation Options Framework (70% complete). Consultants working on GIS climate risk analysis (80% complete).
- *Region-wide Governance*
Draft ToR for inter-council joint committee being consulted on with Iwi/hapū at each council. Recommendation and paper to be presented at Aug CE forum

Climate Change Strategy

NRC climate change strategy proposal presented to climate change working party and discussed with TTMAC on 9 July

Northland Light Detection and Ranging (LiDAR) Capture

The new LiDAR data set is now being used widely throughout council and the Northland community. A LiDAR presentation at the June Engineering New Zealand event was attended by 54 engineers and interested parties.

8.2.6 STRATEGY, GOVERNANCE AND ENGAGEMENT

KAIPARA MOANA REMEDIATION PROGRAMME

On 5 July 2020 central government announced a \$100 million contribution to remediate the Kaipara Moana. Staff are working with Ministry for the Environment, Auckland Council and Kaipara Uri to prepare for formalising the funding. This includes preparing a memorandum of understanding (MOU) and the details for establishing a joint governance committee to oversee the programme. An extraordinary council meeting is scheduled for 29 July 2020 where council approval will be sought for signing the MOU and to establish the joint governance committee.

PROPOSED REGIONAL PLAN

The 'Appeals Version' of the Proposed Regional Plan has been updated to incorporate all provisions that were subject to the 14 consent orders received from the Environment Court last month. The appeals version can be viewed here: <https://www.nrc.govt.nz/media/16350/proposed-regional-plan-updated-appeals-version-june-2020.pdf>.

The council continues to negotiate with appeal parties in order to try and resolve those appeal points that remain unresolved.

ECONOMIC DEVELOPMENT

Investment and Growth Reserve – Projects Report

Project	Update	Future developments/ reporting
Resources Enterprise Limited (REL)	At the hearing on 23 June, defendants raised new evidence which the judge gave them until 1 July to submit.	Work with lawyers to review latest evidence and prepare response. Decision will not now be made until August at the earliest.
Northland Water Storage and Use	Finalise funding agreement with the Te Tai Tokerau Water Trust, prepare legal documents to novate current contracts and agreements.	Support transition of the project from council to the Trust.
Manea Footprints of Kupe	COVID has resulted in a six week delay in finishing the building shell (now estimated mid-August) with opening now scheduled for mid-December. Trust is altering strategy to focus on education and domestic tourism.	Awaiting milestone to make final payment.
Hundertwasser Art Centre (Whangārei)	Following the additional \$4.5M PGF funding allocation, WAMT has withdrawn additional funding request from council. Completion still expected to be May 2021.	Awaiting milestone to make final payment.
Te Hononga / Kawakawa Hundertwasser Park Centre	Building shell to be completed by end of June, with fit out to occur after. Hundertwasser Non-profit Foundation sign off for the visitor experience images and captions.	Awaiting milestone to make final payment.
Twin Coast Cycle Trail (TCCT)	Contact FNDC and MBIE to discuss arrangements for closing out project.	Awaiting milestone to make final payment.

Investment and Growth Reserve – Project Development funding by Northland Inc.

Three Project Development funding allocations were made in 2019/20 together totalling \$143,334 out of a potential budget allocation of \$200,000.

- Feasibility phase of the Northland Water Storage and Use Project (\$84,334)
- Mokau Pa amphitheatre visitor experience (\$35,000)
- Literature review phase of resilient pasture project (\$25,000)

Other Work Undertaken

- Northland Inc. / Council quarterly workshop held on 2 June.
- Co-ordinate and provide second round of council comments on draft Northland Inc. Statement of Intent 2020-2023 (see agenda item 7.3).
- 27th issue of Northland Economic Quarterly released 7 July and available online at www.nrc.govt.nz/economicquarterly.
- Joint CCO development – begin process to progress this with other councils.

ONLINE CHANNELS

Most popular content on Facebook – A post congratulating Patukeha and Ngati Kuta Hapū as the winners of the Te Tohu Matua Supreme Award, at our 2020 Whakamānawa ā Taiao Environmental Awards. The post reached almost 10,000 people and had over 1,000 engagements.

*Engaged – number of people who ‘reacted’, commented or shared the post

Key Performance Indicators	*Feb-20	Mar-20	Apr-20	May-20	Jun-20
WEB					
# Visits to the NRC website	35,500	30,300	25,100	27,900	33,800
E-payments made	12	8	5	6	5
# subscription customers (cumulative)	1,176	1,171	1,182	1,210	1,221
SOCIAL MEDIA (CUMULATIVE)					
# Twitter followers	1,515	1,523	1,525	1,517	1,159
# NRC Facebook fans	9,976	9,553	9,599	9,627	9,713
# NRC Overall Facebook Reach	327,700	172,300	60,300	75,400	201,900
# NRC Engaged Daily Users	23,500	14,900	6,529	5,164	12,000
# CDEM Facebook fans	18,000	17,900	18,000	18,000	18,100
# CDEM Overall Facebook Reach	404,200	161,900	172,800	114,300	72,300
# CDEM Engaged Daily Users	42,500	20,600	19,200	11,800	5,817
# Instagram followers	1,103	1,137	1,163	1,172	1,193

* February 2020 - Significant increase in usual Facebook reach and engagement due to the number of posts communicating key messages about drought management.

ENVIROSCHOOLS / EDUCATION

Project Pest Control Skills Courses

From 18 – 23 June, two Project Pest Control skills courses were held at the Rayonier Matariki Forest in Glenbervie. Seventy senior students from Kamo, Otamatea, Pompallier, Renew, Ruawai, Tauraroa, Whangārei Boys’ and Whangārei Girls’ High schools attended.



Crs Bain and Craw officiated at the NCEA-based courses centred on biosecurity and biodiversity. Council's Biosecurity and EnviroSchools teams joined with CanTrain NZ and local industry representatives to deliver the training.

School Communities Facilitated

During June, EnviroSchools facilitators carried out 35 specific supports with EnviroSchools communities.

MARKETING AND ENGAGEMENT

Whakamānawa ā Taiao - Environmental Awards

The winners of the Northland Regional Council Whakamānawa ā Taiao - Environmental Awards were announced at a virtual ceremony on Thursday 18 June. Videos were produced for each category with an NRC Councillor announcing the winner and highly commended places. Facebook viewers could tautoko the winners by liking, sharing and commenting on the announcement videos.

The winners of the 2020 Whakamānawa ā Taiao - Environmental Awards are:

- Environmental action in the community - Friends of Rangikapiti
- Environmental action in pest management - Bream Head Conservation Trust
- Environmental action in education - Portland School – Te Kura o Tikorangi
- Environmental action in water quality improvement - Dragonfly Springs Wetland Sanctuary
- Environmental action in industry - United Civil Construction Limited
- Environmental leadership - Ian Wilson and John Dawn
- Kaitiakitanga - Patukeha Hapū and Ngati Kuta Hapū

The Te Tohu Matua Supreme Award went to Patukeha Hapū and Ngati Kuta Hapū.

A small ceremony will be held in the Council Chambers on Tuesday 21 July where this year's winners can come together to share their success and receive their trophies and certificates. A four-page media spread on the awards will feature in the Advocate on Wednesday 29 July.

Environmental Leaders Fund

A total of 48 applications were received from Northland schools requesting a total of \$90,957. This was significantly up on the 27 applications submitted in 2019. This year the fund was extended to include Early Childhood Education centres, and six applications were received from this sector.

The full \$20,000 ELF fund was allocated to 21 schools receiving funding for native planting and riparian restoration projects, fencing, shadehouse and nursery construction, and SHMAK kits for water quality monitoring. A total of \$4,255 worth of trapping hardware from the Biosecurity fund was granted to six schools doing pest control projects.

A further \$10,372 was allocated from Toimata Foundation funding to supplement worthy projects that would have missed out on receiving funds this year.

Funds will be paid to recipients from the 2020/21 budget.

MĀORI ENGAGEMENT

Te Whāriki Core Cultural Competency Framework

Te Whāriki Level 1 workshops will be re-established in July aligned with Mātariiki event focussed on the core values of whanaungatanga and building relationships across council staff whilst taking the opportunity to provide learning of Mātariiki and it's significance to Māori. Cultural support and advice has been provided at a number of events including Predator Free Announcement with Ministers Jones and Sage, Environmental awards presentations, ceremony at Kaipara hosted by Te Kuihi, Te Roroa and Te Uri o Hau.

IHEMP Funding

A total of seven applications received for the next financial year totalling \$80,650 with \$20,000 to allocate demonstrates the demand from hapū for this opportunity. Final IHEMP submitted by Ahipara Takiwa in June endorsed by Te Rarawa Runanga.



Te Oneroa-a-Tōhē

The first face to face meeting was held in June post-COVID with the four iwi representatives in attendance signalling an important milestone for the Board and the commitment by iwi to lead and support the development of the beach management plan; including newly appointed Board member Rick Witana for Te Aupouri and Wallace Rivers for Ngāi Takoto.

Our team are involved in several projects and strategies across the organisation and are providing Māori technical advice and leadership as listed below:

- Regional Fresh Water Strategy and the incorporation of Te Mana o te Wai with the input and advice of the Maori Technical Advisory Group and Te Taitokerau Maori and Council Working Party.
- Māori Engagement Wilding Pine Project – Te Rewa Rewa (Whenua Māori – Whanau Led) and supporting the bio-security team to build relationships with hapū, iwi, Māori landowners and industries is progressing well and a positive pilot for other Māori landowners.
- Continued investigation and discovery of council models across the country to inform a consistent approach of Mātauranga Māori to council programmes of works and operations
- Responding to resource consent issues being raised by hapū and how we can work to improve our responses when challenged by hapū and iwi regarding council policies and processes. A project being developed with MTAG to address these questions and inform better decision making.

LOCAL GOVERNMENT OFFICIAL INFORMATION (LGOIMA) REQUESTS

Month	LGOIMA requests received 2018/19	LGOIMA requests received 2019/20
July	15	15
August	20	22
September	7	16
October	5	29
November	10	11
December	9	12
January	11	14
February	15	21
March	9	13
April	12	12
May	19	13
June	11	15
TOTAL LGOIMA REQUESTS RECEIVED	143	193
LGOIMA requests not responded to within 20 working days*	1	18

* REQ.599577- Request for council to seriously consider the validity of the Marine Pathway Management Plan levy. This correspondence was not originally registered as a LGOIMA when it was received.

8.2.7 CUSTOMER SERVICE – COMMUNITY RESILIENCE

CUSTOMER SERVICES

Telephone Inbound Call Statistics & Enquiries

	June 2020	Total 2019/20	Target
Call volume via Customer Services	2,295	26,736	
Conversion rate	98.4%	98.1%	> 95%
Average wait time	6 sec	5 sec	
Calls answered in under 30 sec	97.6%	96.8%	> 90%

Call volumes are almost back to normal. As usual, biosecurity-related enquiries made up 20% of all calls, maritime and consents 10 % each, and the balance is spread across the other departments.

Satisfaction Monitoring

- *Feedback Cards, Compliments and Complaints*

Feedback cards have been included with compliments and complaints, as appropriate.

Compliments received	Total
Service provided by a specific person / people	1
• CityLink driver - Millie	

Compliments received	Total
Overall service <ul style="list-style-type: none"> • Consents • Maritime • Transport – Total Mobility 	3
Quality of Information <ul style="list-style-type: none"> • Land Management 	1
Total compliments recorded	5

The compliments for the Maritime and Total Mobility related to those teams continuing to provide service through the lock-down, often going above what was expected.

Complaints received	Total
Standard of service provided <ul style="list-style-type: none"> • Incident response • Citylink - Bee cards (5x) • Citylink - bus fumes 	7
Disagree with decision or process <ul style="list-style-type: none"> • Consents (2x) 	2
Staff / contractor behaviour or attitude <ul style="list-style-type: none"> • Monitoring 	1
Disagree with cost / value for money <ul style="list-style-type: none"> • MPMP Levy 	1
Total complaints recorded	11

The rollout of Bee cards was disrupted by lock-down and the need to minimise cash handling under Level 2 meant there was a rush to register passengers. This has caused a few teething issues that have been promptly resolved by the transport team.

Of the other complaints, all have either been resolved or are in the progress of seeking resolution.

Post COVID-19

All service centres are open and have appropriate protocols to minimise transfer of infection including sanitation stations, scanning codes, and structural social distancing.

Resident Survey

The survey period has closed, and results are currently being collated by the research company. There were two cohorts surveyed; cohort one selected at random from the electoral roll, and cohort two being people who have self-selected through on-line promotion of the survey.

The number of questionnaires returned by cohort one is down on previous years, but we have had good response from cohort two. The report is expected to be available by 31 July.

CIVIL DEFENCE EMERGENCY MANAGEMENT

National CDEM

The national response to COVID-19 has formally transitioned into recovery with the Welfare sector response arrangements having transferred to the national led and supported Caring for Communities, whilst arrangements have now been put into place to ensure that all foreign nationals have the ability to access assistance once all other avenues have been exhausted.

The Northland CDEM Group has now formally transitioned the COVID-19 Welfare arrangements to the Regional Caring for Communities Governance Group lead by MSD.

Through the COVID-19 response support was provided to iwi, foodbanks, community groups and various agencies who all provided services to whanau and people in communities. The majority of support related to household goods and services and some emergency accommodation. Central government provided access to funding, and the CDEM Group distributed \$1.7m to support the various groups.

Whilst COVID-19 continued there was also still demand in some areas of Northland for assistance to provide water for tanks, predominately in the Far North and Hokianga. Since 11 March over 300 deliveries of tank water have been made and 115 tanks cleaned. Central government is providing reimbursement for this drought relief work.

As a consequence of having to respond to the drought and provide emergency water, either through commercial tankers or through the defence force, the Northland CDEM Group is partnering with iwi, Te Puni Kokiri, the Public Health Unit, Department of Internal Affairs, councils and private providers to ensure that clean healthy water is accessible during droughts. The group has identified several potential beneficiaries and is working to prioritise work and access funding.

The National Emergency Management Agency (NEMA) is continuing to work through their restructure in line with the Emergency Management System Reforms (EMSR).

NEMA have developed a new emergency management information and communication system for use by CDEM Groups across the country during a response phase. The new facility is based in the Microsoft Teams software and was partially utilised during the COVID-19 response.

Northland CDEM Group Activities

The Northland CDEM Group Joint Committee and Coordinating Executive Group met for their quarterly meetings on Wednesday 17 June. The Northland CDEM Group is supporting regional recovery efforts through the Northland

The Northland CDEM Group Plan is currently being reviewed and is due to be finalised by December 2021. The plan sets the Northland CDEM vision, strategic goals and priorities for the next five-year work programme and considers national strategies, plans and changes in legislation.

The Northland CDEM Group became aware through public reports that a new Fire Standard for building fire alarms sound almost identical to the tsunami siren network. A media release has been distributed to inform the public and this issue adds to the priority to upgrade the tsunami siren network.

The Northland CDEM Group responded to the earthquake and tsunami event on 19 June from a 7.4 magnitude earthquake in the Kermadec Island Region. The final notification was of a No Threat to New Zealand.

The Youth in Emergency Services programme this year was to be held in Mangawhai in May, it has been postponed until 2021.

The annual review and renewal of the Service Level Agreement (SLA) for shared Civil Defence Emergency Management services is currently underway for the 2020/2021 year with Far North, Whangārei and Kaipara District Council.

REGIONAL TRANSPORT PLANNING

Government Policy Statement (GPS)

NZTA have advised that there is the potential for a delay in the release of the GPS 2021/2031.

Should this eventuate, there may well be a delay in the finalisation of the Regional Land Transport Plan 2021/2027 and Regional Passenger Transport Plan.

Regional Land Transport Plan 2021/2027 (RLTP) and Regional Passenger Transport Plan (RPTP) – Investment Logic Mapping Workshop

An Investment Logic Mapping (ILM) workshop, run by an independent facilitator, was held on 10 June 2020 following the Regional Transport Committee (RTC) meeting held on the morning of the same day.

This workshop, attended by the RTC elected representatives and their support managers, discussed and agreed on the following:

- Regional land transport related “Problem”: -
 - Poor state of the infrastructure;
 - Regional remains heavily dependent on road transport but demand levels changing;
 - Road safety; and
 - Unsealed roads.
- The “Benefits” of addressing the Problems: -
 - Enabling economic growth
 - Greater regional resilience
 - Contributing to a reduction in social deprivation; and
 - Reducing environmental impact.

Once the weighting of the above have been agreed, they will drive the direction of the draft RLTP and RPTP.

Regional Land Transport Plan 2021/2027 (RLTP) and Regional Passenger Transport Plan (RPTP) – Progress Report

Whilst every effort is being made to ensure that the draft RLTP and RPTP are compiled and submitted to the RTC for approval for release for public consultation within the scheduled time period, NZTA have indicated that there may be delays in the release of Arataki (10 year state highway plan), State Highway Activity Management Plan and the Transport Agency Investment Plan. These documents form an important part of the both the RLTP.

In addition, the NZTA are in the process of revamping their Transport Investment Online (TIO) computer programme. This is the programme where all funding requests are downloaded for inclusion in the National Land Transport Programme. The same incident occurred during the 2018/2021 RLTP process and created unnecessary delays in loading the required information.

As in the case of the late release of the GPS, the delayed release of the above document and the revamp of TIO, staff will be under considerable pressure to meet the deadlines set. These have not been changed to accommodate the above.

The Transport Special Interest Group continue to work on a nationally consistent method for the compilation of an RLTP. Whilst this work has progressed well, delays outside of our control may result in the implementation of the proposed process being delayed to the 2021/2027 three-year review.

PASSENGER TRANSPORT ADMINISTRATION

Bus Link stats for May 2020 (revenue ex GST)	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	14,448	36,888	-22,440	281,181	319,040
CityLink Revenue	\$13,349	\$49,799	-\$36,450	\$354,387	\$430,704
Mid North Link Passengers	101	156	-55	1,643	1,674
Mid North Link Revenue	\$333	\$780	-\$447	\$6,120	\$8,370
Hokianga Link Passengers	35	78	-43	570	846
Hokianga Link Revenue	\$341	\$1,017	-\$676	\$5,434	\$11,032
Far North Link Passengers	159	621	-462	4,523	6,831
Far North Link Revenue	\$382	\$1,552	-\$1,169	\$10,723	\$17,077

Bream Bay Link Passengers	0	24	-24	460	246
Bream Bay Link Revenue	0	\$86	-\$86	\$2,803	\$886

Bus Link stats for June 2020 (revenue ex GST)	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	33,552	30,010	3,542	314,549	349,050
CityLink Revenue	\$30,194	\$40,514	-\$9,960	\$388,521	\$471,218
Mid North Link Passengers	166	156	10	1,809	1,830
Mid North Link Revenue	\$604	\$780	-\$176	\$6,725	\$9,150
Hokianga Link Passengers	39	78	-39	609	924
Hokianga Link Revenue	\$478	\$1,017	-\$539	\$5,912	\$12,049
Far North Link Passengers		593			7,424
Far North Link Revenue		\$1,483			\$18,561
Bream Bay Link Passengers	47	24	23	507	270
Bream Bay Link Revenue	\$315	\$86	\$229	\$3,117	\$972

**Far North Link Stats were unavailable at the time of the report and CityLink were based on provisional reports*

With the severe financial impact on all contracted services due to no fares being charged on the instructions of the Ministry of Transport and the Ministry of Health, the NZTA will be reimbursing lost farebox revenue. These reimbursements will be based on the farebox revenue recovered for the same period last year. NZTA will also be covering all additional cleaning costs incurred during this period.

Total Mobility

Total Mobility (TM) figures are reported one month in arrears, due to the required information being unavailable at the time of the agenda deadline.

	Total Clients	Monthly Actual Expend	Monthly Budgeted Expend	Monthly Variance	Year/Date Actual Expend	Year/Date Budgeted Expend	Annual Variance
May 2020	1,632	\$17,905	\$25,000	-7,095	\$191,579	\$275,000	-\$83,421

Total Mobility Free Fares

Total Mobility free travel continued through the month of June 2020 regardless of the country moving to Level 1. This resulted in a dramatic increase in travel. The total trips for June 2020 were 4,360. For the same period last year, a total number of 2,779 trips were undertaken. Full fares will be introduced from 1 July 2020.

Freedom Companion Driving

Freedom Drivers became an approved Transport Operator during lock down, however their first trips operated were in June. They offer a similar service to Driving Miss Daisy. They have one wheelchair hoist vehicle, which brings the number of wheelchair capable vehicles on the scheme to six.

ROAD SAFETY UPDATE

Road Trauma Update: 2020 Year to date road death statistics

National 144 deaths compared to 193 at the same time in 2019

Northland 15 deaths compared to 15 at the same time in 2019

Road safety promotion messaging is continuing through Northland MediaWorks, NZME radio networks including print and digital platforms. These messages target key regional issues being restraint use, impairment, distractions and speed and fatigue.

Northland Police have signalled concerns that impaired driving is on the rise again and some of the levels detected are very high. A new dedicated team is being created to operate in the Far North which is one of the hotspots.

Ride Forever (R4E) Rider Monthly Training Update

There have been 240 motorcycle riders trained through the ACC initiated R4E training courses held in Northland during the 12 months ending June 2020. The participant numbers were updated monthly:

- Bronze course 61
- Silver course 112
- Gold course 67

MARITIME

Nineteen incidents were received over the month of June, most minor in nature comprising of Aid to Navigation light failures, mooring incidents and derelict vessels. There were two minor oil spills and a vessel grounding.

Two counts of positive feedback received for maritime over the month of June. Our Maritime Cadet was mentioned by name with thanks from a well-known and usually challenging member of the public. The team also received thanks from the police for assistance during the shutdown.

Whale Rock buoy and the wave rider buoy were pulled for servicing and refurbishment and are scheduled to be re-installed. Rolling regimes of maintenance to Aids to Navigation, surveying, mooring tagging and routine field work assisting other departments is ongoing.

The sector light in the Bay of Sslands failed due to an electrical fault. The replacement part is still under test in Finland, as the original manufacturer Vega no longer exists.

The maritime team completed contracted work on the Bream Bay power station buoys and accepted and completed a new contract to service the Portland Beacons using the work vessel Waikare.

Work is ongoing with the review and update to Northlands T2 Regional oil spill response plan.

Joint self-assessments are close to completion for both Whangārei and Bay of Islands SMS, awaiting final input from other harbour stakeholders.

Attachments/Ngā tapirihanga

Nil

TITLE: **Receipt of Committee Minutes**
ID: A1334990
From: Chris Taylor, Governance Support Manager

Recommendation

That the unconfirmed minutes of the:

- Investment and Property Subcommittee – 27 May 2020; and
- Audit and Risk Subcommittee – 24 June 2020

be received.

Attachments/Ngā tapirihanga

Attachment 1: Investment and Property Subcommittee Minutes 27 May 2020 [↓](#)

Attachment 2: Audit and Risk Subcommittee unconfirmed minutes 24 June 2020 [↓](#)

Authorised by Group Manager

Name: Chris Taylor
Title: Governance Support Manager
Date: 15 July 2020

Investment and Property Subcommittee
27 May 2020

Investment and Property Subcommittee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 27 May 2020, commencing at 1.00pm

Present:

Chair, Councillor Rick Stolwerk
Councillor John Bain
Councillor Colin Kitchen
Ex-Officio Councillor Penny Smart

In Attendance:

Full Meeting

Chief Executive Officer - Malcolm Nicolson
GM Corporate Excellence - Dave Tams
Strategic Projects Manager – Phil Heatley
Property Officer – Nicole Inger
Finance Manager – Simon Crabb
Independent Audit & Risk Member -Danny Tuato'o
Independent Financial Advisor Jonathan Eriksen
Independent Financial Advisor Geoff Copstick

PA Corporate Excellence – Judy Graham
Business Support – Robyn Valentine

Part Meeting

Online Services Officer - Jalissa Karena-Lange
Jenksmax Consulting - Ian Jenkins

The Chair declared the meeting open at 1.03pm.

Apologies (Ngā whakapahā) (Item 1.0)

Moved (Smart / Bain)

That the apologies from Councillor Blaikie for non-attendance be received.

Carried

Declarations of Conflicts of Interest (Nga whakapuakanga) (Item 2.0)

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

Investment and Property Subcommittee
27 May 2020

Confirmation of Minutes - 26 February 2020 (Item 3.1)

ID: A1316638

Report from Judith Graham, Corporate Excellence P/A

Moved (Smart / Bain)

That the minutes of the Investment & Property Subcommittee meeting held on 26 February 2020 be confirmed as a true and correct record.

Carried

Mount Tiger Forest Quarterly Report January - March 2020 (Item 4.1)

ID: A1315134

Report from Nicole Inger, Property Officer

Moved (Bain / Kitchen)

That the report 'Mount Tiger Forest Quarterly Report January - March 2020' by Nicole Inger, Property Officer and dated 12 May 2020, be received.

Carried

Ian Jenkins from Jenksmax consulting gave an update on the Mount Tiger forest and advised that no health and safety matters have arisen in the January to March quarter. Operations running on target and under budget with six weeks to go to the end of financial year.

- Two programmes underway – 1. conifer removal programme underway in Awanui and Kaiwi lakes – 2. Working with arborists to increase labour force to take on more of that work.
- Change the frequency of the Mount Tiger quarterly report to six monthly June and December supported and agreed by the Investment & Property subcommittee. Issues will be brought up as they occur within the 6 month reporting period.

Responsible Investment Report - as at 31 December 2019 (Item 4.2)

ID: A1314443

Report from Simon Crabb, Finance Manager

Moved (Bain / Kitchen)

1. That the report 'Responsible Investment Report - as at 31 December 2019' by Simon Crabb, Finance Manager and dated 11 May 2020, be received.

Carried

Secretarial Note: 1.17pm Jonathan Eriksen from EriksenGlobal joined the meeting.

Jonathan Eriksen addressed the responsible investment report. The report is on investments lined up with socially responsible ideals/goals.

- Industry norm is extraction/processing fossil fuels that are highest -2% is conceded relatively low but some try to get lower if possible, until recently it was between 3-4% globally.

ID: A1321202

2

Investment and Property Subcommittee
27 May 2020

- Tables on page 3 & 4 in the responsible investment report show percentages, Jonathan Eriksen to add dollar value on the next report that is produced twice a year.
- Renewable energy can be profitable depending on costs of fossil fuel.
- Sustainable forestry depends on supply and demand, China opening up again is fuelling the demand. Council to understand if renewable energy is profitable.
- Councillors need to be able to say we invest ethically.

Performance of Councils Externally Managed Funds to 30 April 2020 (Item 4.3)

ID: A1317688

Report from Simon Crabb, Finance Manager

Moved (Bain /Smart)

That the report 'Performance of Councils Externally Managed Funds to 30 April 2020' by Simon Crabb, Finance Manager and dated 19 May 2020, be received.

Carried

Jonathan Eriksen gave an update on Northland Regional Council externally managed investment funds. April showed a significant improvement. Government response including spending on welfare/medical etc. assisted in the improvement to the economy.

- Percentages in red – short term performances for one month and three month figures – February /March stock markets fell further/faster than before; market bonds gave negative returns in March. More positive figures coming in since March
- forecast to year end? Currently looking good but can't guarantee returns – the Australian market is looking good as Chinese are buying iron ore again.
- Short term funds are out-performing long term funds; Short term funds are well positioned – long term funds have a higher risk as we expect higher returns. Managers of funds are performing very well but won't know until later in the year what the final performance at year end will be.
- New Zealand stock market is very well sort after – KiwiSaver Managers investing sizable sums in Australasian markets, currently there are more buyers than sellers in New Zealand market.

Business with Public Excluded (Item 5.0) 1.48pm

Moved (Kitchen /Smart)

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
5.1	Confirmation of Confidential Minutes - 26 February 2020	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information which is subject to an obligation of

ID: A1321202

3

Investment and Property Subcommittee
27 May 2020

		confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest s7(2)(c)(ii).
5.2	Kensington Crossing Redevelopment Update	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).
5.3	Leaseholder's Notice of Exit	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).
5.4	Proposed Sale of 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).
5.5	Request for Nil or Low Rent	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).
5.6	Tenant Request for Rent Relief	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii), 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).
5.7	Land and Lease Holders' Easement and Covenant Requests	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to

Investment and Property Subcommittee
27 May 2020

		prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii) and the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).
5.8	Kaipara Service Centre Tenancy	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).
5.9	Proceeds From Land Sale	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).

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

Carried

Conclusion

The meeting concluded at 3.29pm.

Audit and Risk Subcommittee
24 June 2020

Audit and Risk Subcommittee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 24 June 2020, commencing at 1.00pm

Present:

Chair, Councillor Colin Kitchen
Councillor John Bain
Councillor Amy Macdonald
Councillor Joce Yeoman
Ex officio Councillor Penny Smart
Independent Audit & Risk Advisor Danny Tuato'o

In Attendance:

Full Meeting

Chief Executive Officer Malcolm Nicolson
Councillor Rick Stolwerk
GM Environmental Services Bruce Howse
GM Corporate Excellence Dave Tams
Finance Manager Simon Crabb
Corporate Systems Champion Kym Ace
PA Corporate Excellence Judy Graham

Part Meeting

Rivers and Natural Hazards Manager Joseph Camuso
Online Services Officer Jalissa Karena-Lange
Finance Accountant Vincent McColl
River Management Engineer Barney Brotherhood

The Chair declared the meeting open at 13.01pm.

Apologies (Ngā whakapahā) (Item 1.0)

Independent Financial Advisor Geoff Copstick

Declarations of Conflicts of Interest (Nga whakapuakanga) (Item 2.0)

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

Audit and Risk Subcommittee
24 June 2020

Risk Management update (Item 3.0)

ID: A1329034

Report from Kym Ace, Corporate Systems Champion

Secretarial Note: The Risk Management update presentation was received:

Corporate System Champion Kym Ace gave an update on the risk management and a demonstration on the new risk register management tool (Promapp) that has been implemented to monitor and manage risks within the organisation.

- To date twenty-three risks have been entered into the new Corporate risk register.
- Detailed reports can be produced within the register to show risk scores which highlights the high to low residual risk.
- There is the ability to deep dive for the risk treatment and who is responsible to sign off.
- Implementation plan to be completed this includes document process, training, embedding risk management and formalised reporting.
- ELT reviews the risk register on a quarterly basis
- Target date to complete transfer of all risk to the new risk register is by the first week of August 2020.
- Risks that have been identified by Councillors can raised at any council meeting, which is then captured in the minute's/action sheet. Can also be noted in the Chief Executive report to chair report under policy risk management compliance session.

Awanui River Project update (Item 4.0)

ID: A1329037

Report from Joseph Camuso, Rivers & Natural Hazards Manager

Secretarial Note: The Awanui River Project update presentation was received.

Rivers and Natural Hazards Manager Joseph Camuso gave a presentation update on the Awanui river project.

- Works being completed are stopbank benching, flood walls, and spillways.
- Currently 1 year behind schedule and under budget by \$1,626,435 this will change once the project is back on schedule.
- Top four risk listed are Landowners, Geotechnical, Archaeology and Resource Consenting.

Confirmation of Minutes -15 April 2020 (Item 5.1)

ID: A1327159

Report from Judith Graham, Corporate Excellence P/A

Moved (Kitchen / Bain)

That the minutes of the Audit and Risk Subcommittee meeting held on 15 April 2020 be confirmed as a true and correct record.

Carried

Secretarial Note: 1.47pm Peter Gulliver from Deloitte join the meeting by Zoom.

Audit and Risk Subcommittee
24 June 2020

2019-20 Annual Report: Timetable and Deloitte Planning Report (Item 6.1)

ID: A1329230

Report from Simon Crabb, Finance Manager

That the report '2019-20 Annual Report: Timetable and Deloitte Planning Report' by Simon Crabb, Finance Manager and dated 18 June 2020, be received.

Auditor Peter Gulliver from Deloitte spoke to the Subcommittee regarding the Northland Regional Council planning report for the year ended 30 June 2020, and highlighted key areas of focus.

- Key areas in annual report include investment property revaluations uncertainties, level of provisioning for debtors and rates receivables, wage subsidies claimed & grants received disclosed in the financial statement.
- Officer of the Auditor General required all audit report for public entities to make reference to Covid 19, and in particular draw attention to the disclosure made in the annual report through an "emphasis of matter" paragraph to be included in the audit report. Deloitte to work with management to ensure an appropriate level of disclosure.

\$10M Loan Repayment (Item 6.2)

ID: A1328789

Report from Simon Crabb, Finance Manager

Moved (Bain / McDonald)

That the report '\$10M Loan Repayment' by Simon Crabb, Finance Manager and dated 17 June 2020, be received.

Endorsed recommendation to take to council. It is proposed that the \$10M corporate loan is repaid and a subsequent loan of \$5.2M is taken with the Local Government Funding Agency (LGFA). The borrowing reduction of \$4.8M represents the net funds held by council that are dedicated to repaying debt.

Carried

Finance Manager Simon Crabb made note that every loan debt council has there is a corresponding funding source scheduled for repayment of the principal amount.

- Report will be revised once goes to full council due to charitable donation of \$549,000 in May 2019.
- Average Cost of borrowing is currently 4.24% will drop to 3.87% locked in until 2032

Chair acknowledged the great work done by finance team working remotely during the Covid 19 lockdown very much appreciated.

- Further discussion around each loan/repayment to be had at Long term plan stage as requested by Ex officio Councillor Penny Smart.

Audit and Risk Subcommittee
24 June 2020

Local Government Funding Agency: Becoming a Guaranteeing Member (Item 6.3)

ID: A1328791

Report from Simon Crabb, Finance Manager

Moved (Unanimously)

1. That the report 'Local Government Funding Agency: Becoming a Guaranteeing Member' by Simon Crabb, Finance Manager and dated 17 June 2020, be received.
2. That a legal review is undertaken on the legal documents required to be executed to become a guaranteeing member of the LGFA.
3. That, subject to a satisfactory legal review, the Subcommittee endorse a recommendation to full council that Northland Regional Council becomes a guaranteeing member of the LGFA.

Finance Manager Simon Crabb explained to the Subcommittee regarding becoming a Guaranteeing member of the Local Government Funding Agency.

- Full risk assessment completed by PricewaterhouseCooper dated 18 June 2020
- Northland Regional Council are considering raising additional external debt with the LGFA once pass threshold of \$20 million of borrowing through the LGFA they are required to become a guaranteeing member of the LGFA as per the Foundation Policy requirement of the LGFA.

Carried

Interest Rate for Special Reserves in Surplus (Item 6.4)

ID: A1289797

Report from Vincent McColl, Financial Accountant

Moved (Unanimously)

1. That the report 'Interest rate for special reserves in surplus' by Vincent McColl, Financial Accountant and dated 18 June 2020, be received.
2. That the Audit and Risk Subcommittee endorse a recommendation to full council that the 90-day bank bill rate plus 3% per annum will be used to calculate the interest attributable to special reserves with balances in excess of \$50,000, reset annually on 1 July.

Carried

New Regional Rating Collection Reporting (PowerBi Demo) (Item 6.5)

ID: A1328939

Report from Simon Crabb, Finance Manager

That the report 'New Regional Rating Collection Reporting (PowerBi Demo)' by Simon Crabb, Finance Manager and dated 17 June 2020, be received.

Finance Manager Simon Crabb gave the Subcommittee an update on the rates collection and noting in better shape than expected will know more after the first quarter. Demonstration given on the (PowerBI tool) on the Regional Rates Collection

- Quarterly report will be issued to full council.

ID: A1332190

4

Audit and Risk Subcommittee
24 June 2020

- Detailed report can be produced for each of the three districts.

Conclusion

The meeting concluded at 14.37pm.

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
10.1	Confirmation of Confidential Minutes - 16 June 2020	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting.
10.2	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.
10.3	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).

3. That the Independent Financial Advisors be permitted to stay 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.