Council

Tuesday 23 September 2025 at 10.15am

AGENDA

Northland REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

Northland Regional Council Agenda

Meeting to be held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 23 September 2025, commencing at 10.15am

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

RĪMITI (Item) **Page**

1.0 NGĀ MAHI WHAKAPAI / HOUSEKEEPING

Key Health and Safety points to note:

- *If the fire alarm goes off – exit down the stairwell to the assembly point which is the visitor carpark.*
- *Earthquakes – drop, cover and hold*
- *Visitors please make sure you have signed in at reception, and that you sign out when you leave. Please wear your name sticker.*
- *The toilets are on the opposite side of the stairwell.*

Please note that the public section of this meeting will be recorded and livestreamed via Youtube to the NRC website. As a participant in the meeting or a member of the public gallery your presence may be recorded. By remaining present at the meeting it is understood your consent is given if your image or voice is broadcast.

Opinions expressed or statements made by individual persons during a meeting are not the opinions or statements of the Northland Regional Council. Council accepts no liability for any opinions or statements made during a meeting.

2.0 KARAKIA TIMATANGA – TAUĀKI Ā ROTO / OPENING KARAKIA

3.0 NGĀ WHAKAPĀHA / APOLOGIES

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10.4 Request for Property Reinvestment Funding for Redevelopment Project Due Diligence

10.5 Transaction to Freehold a CBD Property for Redevelopment

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

Northland
REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

Tauāki ā roto

Tēnei au	Here I am
Tēnei mātou	Here we are
He kaikaunihera	Your councillors
He kawenga i ngā whakataunga	The bearers of sound
I ngā tikanga	decision making power
Ki uta, ki tai	Reaching inland and coastal
Kia rewa ai ngā iwi katoa o	To uplift all peoples of
Te Taitokerau	Northland
Haumie hui e	Bring forth unity
TĀIKI E!	Tis Done!

TITLE:	**Confirmation of Minutes - 26 August 2025**
From:	Meloney Tupou, Maori Governance and Engagement Support Admin
Authorised by:	Chris Taylor, Governance Specialist, on 15 September 2025

Ngā mahi tūtohutia / Recommendation

That the minutes of the council meeting held on 26 August 2025, be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Attachments/Ngā tapirihanga

Attachment 1: Unconfirmed council minutes - 26 August 2025 ⇩

Council Meeting
26 August 2025

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 26 August 2025, commencing at 10.15am

Tuhinga/Present:

Chairperson, Geoff Crawford
Councillors:
- John Blackwell
- Joe Carr
- Jack Craw
- Peter-Lucas Jones *(Via audio-visual link)*
- Amy Macdonald
- Marty Robinson *(from 10.18am)*
- Tui Shortland *(Via audio-visual link)*
- Rick Stolwerk
- Joe Carr

I Tae Mai/In Attendance:

Full Meeting
Independent Risk Advisor
Independent Tangata Whenua Advisor *(George Riley)*
Tāhūhū Rangapū - Chief Executive Officer
Pou Taumatua – GM Corporate Services
Pou Whakaritenga - GM Regulatory Services
Group Manager - Community Resilience
Deputy GM - Biosecurity
Corporate Services Manager
People and Culture Manager
Translator
Māori Governance and Engagement Support Admin
Governance Specialist

Part Meeting
Pou Tiaki Taiao - GM Environmental Services
Pou Manawhakahaere - GM Governance and Engagement
Finance Manager
Financial Accountant
Regional Harbourmaster
Policy and Planning Manager
Biosecurity Manager – Incursions and Response
Biosecurity Manager – Pest Plants *(Via audio-visual link)*
Compliance Monitoring Manager
Policy Specialist
Corporate Planning Specialist
Digital Experience Support

Secretarial Note: The Chair declared the meeting open at 10.15am and proceedings commenced with a karakia by the Pou Manawhakahaere - GM Governance and Engagement

Unconfirmed Minutes

Council Meeting
26 August 2025

Ngā whakapāha/Apologies (Item 1.0)

There were no apologies.

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

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

Secretarial Note: Staff undertook to give further consideration to the storing of the livestream recordings of council meetings on a 'tech platform for perpetuity'.

Confirmation of Minutes - 24 July 2025 (Item 5.1)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Craw/Macdonald)

That the minutes of the council meeting held on 24 July 2025, be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.2)

Report from Chris Taylor, Governance Specialist

Moved (Macdonald/Craw)

That the action sheet be received.

Carried

Externally Managed Investment Funds: 2024/25 Performance and Allocation of Returns (Item 6.1)

Report from Simon Crabb, Finance Manager

Moved (Blackwell/Macdonald)

1. That the report 'Externally Managed Investment Funds: 2024/25 Performance and Allocation of Returns' by Simon Crabb, Finance Manager and dated 2 August 2025, be received.

Carried

It was further moved (Crawford/Craw)

2. That the budgeted funding of $1,582,231 for specific operational expenditure items in the 2024/25 financial year be withdrawn from the managed investment fund portfolio and reinvested across the working capital component of the Short Term investment fund, Operating Costs reserve term deposits, and the Vessel Replacement component of the Long Term investment fund.
3. That the budgeted 2024/25 general funding contribution of $2,017,160 from the Managed investment fund portfolio be withdrawn and reinvested into the working capital component of the Short Term investment fund.

Unconfirmed Minutes

4. That managed investment fund returns of $1,291,483 for the 2024/25 financial year be withdrawn from the managed investment fund portfolio and reinvested into the Debt Repayment component of the Long Term investment fund, and earmarked specifically for the future repayment of debt incurred in financing council's investment in Northport Group Limited.
5. That $490,335 of targeted river scheme rates collected for future debt repayment and $528,302 of river scheme and vessel replacement scheme depreciation funding are withdrawn from the Short Term investment fund and invested into the Debt Repayment component of the Long Term investment fund.
6. That all withdrawals from, and placements into, fund managers undertaken to execute the adopted recommendations of this agenda item be guided by advice provided by EriksensGlobal.

Carried

Request for Approval to Carry Forward Operational Budget from the 2024/25 Financial Year into the 2025/26 Financial Year (Item 6.2)

Report from Taka Skipwith, Financial Accountant

Moved (Stolwerk/Macdonald)

1. That the report 'Request for Approval to Carry Forward Operational Budget from the 2024/25 Financial Year into the 2025/26 Financial Year' by Taka Skipwith, Financial Accountant and dated 4 August 2025, be received.
2. That council approves the operational expenditure carry forwards from the 2024/25 financial year into the 2025/26 financial year of:
    a. $99,023.00 for Fast Track Approval applications
    b. $128,000.00 for Wild Deer aerial survey
    c. $131,051.00 Tangata Whenua Environmental Monitoring
    d. $11,500.00 for Iwi Hapū Environment Management Plans
    e. $100,000.00 for the Adaptation Planning Project with WDC
    f. $149,223.00 for the Climate Resilience Fund
    g. $52,437.00 for the Regional Transport Programme
    h. $40,132.00 for the Road Safety Promotion

Carried

Request for Approval to Carry Forward Capital Expenditure Budget from the 2024/25 Financial Year into the 2025/26 Financial Year (Item 6.3)

Report from Taka Skipwith, Financial Accountant

Moved (Stolwerk/Blackwell)

1. That the report 'Request for Approval to Carry Forward Capital Expenditure Budget from the 2024/25 Financial Year into the 2025/26 Financial Year' by Taka Skipwith, Financial Accountant and dated 4 August 2025, be received.

Unconfirmed Minutes

2. That council approves the carry forward of $2,314,622 capital expenditure budget from the 2024/25 financial year into the 2025/26 financial year.

Carried

Secretarial Note: Appreciation was extended to staff for their work finalising the end of year financials and providing clear explanations for carry forwards.

2024/25 Provisional Financial Year End Result (Item 6.4)

Report from Taka Skipwith, Financial Accountant

Moved (Craw/Stolwerk)

1. That the report '2024/25 Provisional Financial Year End Result' by Taka Skipwith, Financial Accountant and dated 5 August 2025, be received.
2. That $1,074,000 of the 2024/25 operational surplus is allocated to the Opex Reserve to represent the funding held to allow for a reduction in 2025/26 rating revenue.
3. That $1,096,300 of the 2024/25 operational surplus is allocated to the Debt repayment portion of the Long Term Investment Fund, and held to reduce the debt associated with Council's investment in the Northport Group.

Carried

Special Reserves at 30 June 2025 (Item 6.5)

Report from Taka Skipwith, Financial Accountant

Moved (Stolwerk/Robinson)

That the report 'Special Reserves at 30 June 2025' by Taka Skipwith, Financial Accountant and dated 7 August 2025, be received.

Carried

Regional Rates Collection 2024/25 (Item 6.6)

Report from Simon Crabb, Finance Manager

Moved (Crawford/Carr)

That the report 'Regional Rates Collection 2024/25' by Simon Crabb, Finance Manager and dated 2 August 2025, be received.

Carried

Secretarial Note: Concern was raised regarding the proportion of rates that were not collected and written off after six years (as per Section 65 of the Local Government (Rating) Act 2002).

Unconfirmed Minutes

Council Meeting
26 August 2025

NRC Overall Investment Portfolio - Annual Returns and Balances at 30 June 2025 (Item 6.7)

Report from Simon Crabb, Finance Manager

Moved (Crawford/Blackwell)

That the report 'NRC Overall Investment Portfolio - Annual Returns and Balances at 30 June 2025' by Simon Crabb, Finance Manager and dated 4 August 2025, be received.

Carried

Making the Navigation Safety Bylaw 2025 (Item 7.1)

Report from Michael Payne, Policy Specialist and Jim Lyle, Harbour Master and Maritime Manager

Moved (Stolwerk/Craw)

1. That the report 'Making the Navigation Safety Bylaw 2025' by Michael Payne, Policy Specialist and Jim Lyle, Harbour Master and Maritime Manager and dated 23 July 2025, be received.
2. That council determines under section 155 of the Local Government Act that:
    a. a bylaw is the most appropriate way of addressing the perceived problem.
    b. the Navigation Safety Bylaw 2025 is the most appropriate form of bylaw to address navigation safety in the region.
    c. the Navigation Safety Bylaw 2025 is not inconsistent with the New Zealand Bill of Rights Act 1990 does not give rise to any implications under the New Zealand Bill of Rights Act 1990.
3. That council adopt the Navigation Safety Bylaw 2025 included as **Attachment 2** *(pertaining to Item 7.1 of the 26 August 2025 council meeting agenda)* and that the Bylaw comes into force following approval of the enforcement schedule by the Ministry of Transport.
4. That the Navigation Safety Bylaw 2017 is revoked from the date the Navigation Safety Bylaw 2025 comes into force.
5. That council delegate to the Pou Tiaki Hapori | Group Manager Community Resilience the authority to approve any minor formatting, typographical or design changes to the Bylaw.

Carried

Secretarial Note:

- *Appreciation was extended to the council officers and elected members who were involved in the review of the Navigation Safety Bylaw. It was stated that the panel was 'comprehensively informed' to be able to make robust decisions.*
- *Assurance was provided that staff took a pragmatic approach to the implementation and enforcement of the Bylaw, focussing on creating a safe environment and issuing infringement notices where there were valid safety concerns.*
- *Council was required to review the Bylaw every five years but could do so more frequently (all or part) if there were changes that needed to be addressed.*
- *The bylaw focussed on maritime safety but assurance was provided that related legislation was taken into account during its review. A legal review had also been undertaken on the process/content.*

Unconfirmed Minutes

- *Further assurance was provided that the Bylaw in no manner impacted on iwi/hapu rights to kai moana and resources in coastal areas or fishing laws/restrictions.*
- *Concern was raised whether the Māori community had been adequately informed and engaged in the process.*
- *Attention was drawn to Part E of the deliberations report and the decision to remove the prohibition of wind-powered boats from the Ruakākā and Waipū estuaries. It was requested that the Biodiversity Team continue to work closely with the Department of Conservation to determine what support NRC could provide from an ecological perspective.*
- *Attention was also drawn to the Hearing Panel's decision that a lifejacket was required to be worn in all vessels 6m and under when underway to improve safety outcomes. The analogy provided was the legal requirement of wearing a seat belt in a car.*

NRC and Ngapuhi Investment Fund Limited (Tupu Tonu) MOU in relation to Northport Group Limited (Item 7.2)

Report from Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Moved (Crawford/Craw)

1. That the report 'NRC and Ngapuhi Investment Fund Limited (Tupu Tonu) MOU in relation to Northport Group Limited' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 24 July 2025, be received.
2. That council endorses the NRC and Ngapuhi Investment Fund Limited (Tupu Tonu) MOU in relation to Northport Group Limited *(included as **Attachment 1** pertaining to Item 7.2 of the 26 August 2025 council meeting agenda)*, and authorises the Chair to sign the MOU.

Carried

Secretarial Note: Appreciation was extended to Tupu Tonu for 'good faith negotiations on the matter'.

High Pathogenicity Avian Influenza (HPAI) Bird Flu (Item 7.3)

Report from Don McKenzie, Pou Tiaki Pūtaiao - GM Biosecurity and Nicky Fitzgibbon, Biosecurity Manager - Incursions and Response

Moved (Crawford/Blackwell)

1. That the report 'High Pathogenicity Avian Influenza (HPAI) Bird Flu' by Don McKenzie, Pou Tiaki Pūtaiao - GM Biosecurity and Nicky Fitzgibbon, Biosecurity Manager - Incursions and Response and dated 20 August 2025 be received.
2. That council approves the funding of $52,066 from the Biosecurity Incursions Reserve to implement proactive actions in advance of avian influenza (H5N1) arriving in Te Taitokerau.
3. That council support elevating this issue to the Chief Executives and the Mayoral Forum with the aim of encouraging wider regional and district council engagement and coordinated support.

Carried

Unconfirmed Minutes

Secretarial Note:

- *It was stressed that council needed to be as prepared as possible for an incursion of bird flu. This included identifying high risk sites, working with communities to understand roles and responsibilities and procurement of protective equipment.*
- *Concern was raised that central government was not contributing to the funding of this national issue.*
- *All efforts were being made to ensure a co-ordinated response across the regional sector.*

Biosecurity Operational Plan 2025-2026 (Item 7.4)

Report from Don McKenzie, Pou Tiaki Pūtaiao - GM Biosecurity

Secretarial Note: In accordance with Standing Order 23.3 'Motion expressed in parts' it was recommendation be considered part by part.

Moved (Craw/Carr)

1. That the report 'Biosecurity Operational Plan 2025-2026' by Don McKenzie, Pou Tiaki Pūtaiao - GM Biosecurity and dated 18 August 2025, be received.

Carried

Secretarial Note:

- *Concern was raised that the Operational Plan did not include Gold Clam, Caulerpa and Madagascar Ragwort.*
- *It was advised that technically the Operational Plan could only include species listed in the existing Regional Pest Management Plan. However, this did not exclude the council in any way from continuing its responses to other species.*
- *Clarification was provided that at the May 2025 council meeting it was resolved 'That council approves a minor amendment to the [Regional] Pest Plan by council resolution under the Biosecurity Act 1993 section 100(g) (4) to replace Gravel Groundsel (Senecio skirrhodon) with Madagascar Ragwort (Senecio madagascariensis) in the Pest Plan.' Therefore the Operational Plan could be amended to replace Gravel groundsel with Madagascar Ragwort in terms of the species included.*
- *Concern was raised regarding the proliferation of weeds on road verges and rail corridors.*
- *It was requested that a footnote be added to the Operational Plan to be clear that it did not encompass the full suite of biosecurity work undertaken by council.*

It was further moved (Carr/Robinson)

2. That council adopt the Plan in accordance with section 100B of the Biosecurity Act 1993 including the refinements which are proposed and with the additional substitution of Gravel Groundsel with Madagascar ragwort in the table 'Pest Species Included in the Plan'.
3. That council authorises the GM Biosecurity to make any necessary minor drafting, typographical, rounding, or presentation corrections to the Operational Plan.

Carried

Councillor Stolwerk voted against the motion.

Unconfirmed Minutes

Council Meeting
26 August 2025

Submission to the Local Government Act (System Improvements) Bill (Item 7.5)

Report from Kyla Carlier, Corporate Strategy Manager

Moved (Jones/Robinson)

1. That the report 'Submission to the Local Government Act (System Improvements) Bill' by Kyla Carlier, Corporate Strategy Manager and dated 14 August 2025, be received.

Carried

Secretarial Note:

- *Confirmation was provided that Te Ruarangi was not lodging its own submission on the Local Government Act (System Improvements) Bill.*
- *It was agreed that if council did not support the proposed inclusions from Te Ruarangi on the submission that they be included but highlighted as the view of the Working Party and not that of full council.*

It was further moved (Macdonald/Stolwerk)

2. That the submission as discussed at the council workshop on 13 August, and included as **Attachment 1** *(pertaining to Item 7.5 of the 26 August 2025 council meeting agenda*, be approved subject to the following additions:

3. That inclusion 1, identified in **Attachment 2** *(pertaining to Item 7.5 of the 26 August council meeting agenda* and recommended by Te Ruarangi, be approved for addition to the submission.

Carried

It was further moved (Robinson/Stolwerk)

4. That inclusion 2, identified in **Attachment 2** *(pertaining to Item 7.5 of the 26 August 2025 council meeting agenda*) and recommended by Te Ruarangi, be approved for addition to the submission.

Carried

(In putting the motion the Chairperson called for an expression of opinion by a show of hands, the result being Councillors Craw, Jones, Macdonald, Robinson, Stolwerk and Shortland in favour of the motion and Councillors Blackwell, Carr and Crawford against the motion).

It was further moved (Robinson/Stolwerk)

5. That inclusion 3, identified in **Attachment 2** *(pertaining to Item 7.5 of the 26 August 2025 council meeting agenda*) and recommended by Te Ruarangi, be approved for addition to the submission.

Carried

Councillors Carr and Crawford voted against the motion.

It was further moved (Stolwerk/Craw)

6. That inclusion 4, identified in **Attachment 2** *(pertaining to Item 7.5 of the 26 August 2025 council meeting agenda*) and recommended by Te Ruarangi, be approved for addition to the submission.

Carried

Unconfirmed Minutes

It was further moved (Stolwerk/Robinson)

7. That the submission, with inclusions as agreed above, be approved and lodged with the Governance and Administration Committee via the Parliament website on or before 11.59pm on Wednesday, 27 August 2025 (subject to any amendments directed by council).

Carried

It was further moved (Stolwerk/Robinson)

8. That the submission be signed on behalf of council by the Chief Executive Officer.

Carried

Chair's Report to Council (Item 8.1)

Report from Rae Hetaraka, Executive Assistant to the Chair

Moved (Crawford/Blackwell)

That the report 'Chair's Report to Council' by Rae Hetaraka, Executive Assistant to the Chair and dated 1 August 2025, be received.

Carried

Chief Executive's Report to Council (Item 8.2)

Report from Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer

Moved (Macdonald/Blackwell)

That the report 'Chief Executive's Report to Council' by Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer and dated 29 July 2025, be received.

Carried

Secretarial Note:

- *The reporting on Municipal wastewater treatment plant compliance/enforcement to be expanded to include detail on the smaller scale 'community schemes' that may present issues with reticulation/infrastructure.*
- *Staff to circulate the Biocontrol feasibility study and control methods report by AgResearch to elected members.*
- *Staff to ensure that elected members are aware of events they have the ability to attend.*
- *Appreciation was extended to staff involved in the Lake Ngatu Project. There was also acknowledgement of the success of the Kiwi Coast partnership.*
- *Staff to provide greater information on the methodology underpinning the Regional Emissions Map for Northland.*
- *Appreciation was extended to Maritime staff for the publication of the 'Boating in Northland' book which was described as 'a go-to for Northlanders'.*
- *Staff undertook to come back to sediment control plans in relation to the Kaeo Stage 2 project.*

Unconfirmed Minutes

Reporting on Amended Long Term Plan 2024-2034 Performance Measures for the year ended 30 June 2025 (Item 8.3)

Report from Robyn Broadhurst, Corporate Planning Specialist

Moved (Jones/Craw)

That the report 'Reporting on Amended Long Term Plan 2024-2034 Performance Measures for the year ended 30 June 2025' by Robyn Broadhurst, Corporate Planning Specialist and dated 14 July 2025, be received.

Carried

Secretarial Note:

- *Appreciation was extended to staff for the clear explanation where performance measures were not achieved.*
- *Clarification was provided that the detail within the report presented the end-of-year statistics and would be included in the Annual Report.*

Receipt of Committee Minutes (Item 9.1)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Stolwerk/Blackwell)

That the unconfirmed minutes of the:

- Te Oneroa-a-Tōhe Board – 18 July 2025
- Joint Climate Change Adaptation Committee – 24 July 2025 and
- Joint Regional Economic Development Committee Minutes - 25 July 2025

be received.

Carried

Secretarial Note;

- *It was stressed that the request from Te Aupouri to the Te Oneroa A Tohe Board regarding the precision and accuracy of sites of significance must be addressed as a matter of urgency.*
- *Appreciation was extended to the staff that supported the Joint Climate Change Adaptation Committee and it was acknowledged how this committee had advanced over the past two triennium.*

Working Party Updates Report (Item 9.2)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Stolwerk/Craw)

That the report 'Working Party Updates Report' be received.

Carried

Unconfirmed Minutes

Council Meeting
26 August 2025

Kaupapa ā Roto/Business with Public Excluded (Item 10.0)

Moved (Stolwerk/Blackwell)

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 - 24 July 2025	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 .

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

Carried

Whakamutunga (Conclusion)

The meeting concluded at 11.59am with a karakia by the Pou Manawhakhaere – GM Governance and Engagement.

Unconfirmed Minutes

TITLE:	**Receipt of Action Sheet**
From:	Chris Taylor, Governance Specialist
Authorised by:	Chris Taylor, Governance Specialist, on 16 September 2025

Whakarāpopototanga / Executive summary

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

Nga mahi tutohutia / Recommendation

That the action sheet be received.

Attachments/Ngā tapirihanga

Attachment 1: Council Action Sheet - September 2025 ⇩

Council Actions as at 8/09/2025

Id	Meeting	Target Date	Description	Request Details	Most Recent Comment
8232	Council 24/07/2025	7/08/25	Northport Group Limited Director Remuneration Pool	The GM Corporate Services to coordinate a meeting between Northport Group Ltd Directors in August and confirm the date with council.	Meeting date yet to be confirmed.
8236	Council 24/07/2025	7/08/25	Quarry Road Bridge	Chief Executive to co-ordinate an event to mark the completion of the Quarry Road Bridge project with Minister Jones in November.	Tentative date - Friday 28 November 2025.
8291	Council 26/08/2025	9/09/25	Biocontrol Feasibility Study	Staff to circulate the Biocontrol feasibility study and control methods report by AgResearch to elected members.	COMPLETE. Information sent 1 September 2025.
8293	Council 26/08/2025	9/09/25	Sites of Significance	The request from Te Aupouri to the Te Oneroa A Tohe Board regarding the precision and accuracy of sites of significance must be addressed as a matter of urgency.	Staff will be working alongside FNDC and iwi staff to recommend an approach for to the board to endorse identify sites of significance in accordance with the relevant actions set out in Te Rautaki o Te Oneroa-a-Tōhe.
8295	Council 26/08/2025	9/09/25	Regional Emissions Map	Staff to provide greater information on the methodology underpinning the Regional Emissions Map for Northland.	COMPLETE. Information circulated 1 September 2025.

Council Actions as at 8/09/2025

8296	Council 26/08/2025	9/09/25	Sediment Control	Staff undertook to confirm sediment control plans in relation to the Kaeo Stage 2 project.	The matter was discussed at the Kaeo River Management Working Party meeting on 4 September. The relevant minutes to be circulated to councillors.

TITLE: Adoption of the 2025 Annual Report

From: Simon Crabb, Finance Manager

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 12 September 2025

Executive summary/Whakarāpopototanga

The full 2025 Annual Report is provided as **Attachment One**. The final formatting and layout of this document is still being performed.

The independent member of council, Steve Watene, has performed a review of the 2025 Annual Report and Audit process. His written report summarising his observations is attached as **Attachment Two.**

Deloitte has issued clearance and prepared a report, included as **Attachment Three** on the matters arising from their audit. The Deloitte Engagement Partner will attend the September council meeting to answer any questions in relation to this report.

The final signed audit opinion will be released upon council's adoption of the 2025 Annual Report, and Deloitte receiving the signed letters of compliance and representation.

Recommendations:

1. That the report 'Adoption of the 2025 Annual Report' by Simon Crabb, Finance Manager and dated 8 September 2025, be received.
2. That the council's audited Annual Report and financial statements for the year ended 30 June 2025 be adopted pursuant to section 98(3) of the Local Government Act 2002.
3. That the Chief Executive Officer and the Chair be authorised to sign the 2025 Annual Report compliance statement and letter of representation, and the letters of representation in relation to the: 2024/25 debenture trust deed report, and 2024/25 stock register report.
4. That the Chief Executive Officer be authorised to approve any minor accuracy, grammatical, typographical, or formatting amendments to the 2025 Annual Report and Summary Annual Report if required.
5. That the Chief Executive Officer be authorised to approve the release of the 2025 Summary Annual Report pursuant to section 98(4) of the Local Government Act 2002.

Options

No.	Option	Advantages	Disadvantages
1	Adopt the 2025 Annual Report and financial statements for the year ending 30 June 2025	Facilitate the adoption and public availability of the 2025 Annual Report and 2025 Summary Annual Report within the statutory timeframes set	None

No.	Option	Advantages	Disadvantages
		out in the Local Government Act 2002.	
2	Do not Adopt the 2025 Annual Report and financial statements for the year ending 30 June 2025	The 2025 Annual Report can be amended if required.	Additional auditor resourcing would be required to audit any changes, and potentially a special council meeting would need to be called before 31 October 2025 to adopt a revised 2025 Annual Report and comply with the Local Government Act 2002.

The staff's recommended option is 1.

Considerations

1. **Climate Impact**

   This decision will have no impact on the ability of council to respond to the impacts of climate change now or in the future.

2. **Environmental Impact**

   This decision will not have an impact on any environmental risks.

3. **Community views**

   Being a purely administrative matter council can make decisions relating to this report without undertaking further consultation or engagement.

4. **Māori impact statement**

   This report relates to an administrative matter and does not have a direct impact on Māori.

5. **Financial implications**

   If any significant changes are required to the 2025 Annual Report or the 2025 Summary Annual Report, Deloitte will need to be re-engaged to review the changes and potentially charge additional audit fees.

6. **Implementation issues**

   Section 98(3) of the Local Government Act 2002 stipulates that an Annual Report must be adopted by resolution within four months after the end of the financial year to which it relates. In council's case this deadline is 31 October 2025. Should the 2025 Annual Report not be adopted at the 23 September 2025 council meeting, an agenda will need to be presented to an extra ordinary meeting to adopt the Annual Report and comply with section 98(3) of the Local Government Act 2002.

7. **Significance and engagement**

   In relation to section 79 of the Local Government Act 2002, this decision is of low significance when assessed against council's Significance and Engagement Policy because it is part of council's day to day activities. This does not mean that this matter is not of

significance to tāngata whenua and/or individual communities, but that council can make decisions relating to this matter without undertaking further consultation or engagement.

8. Policy, risk management and legislative compliance

The recommendations in this report are consistent with sections 98 and 99 of the Local Government Act 2002 regarding the timeframes for adoption and public availability of the Annual Report and the requirement for an audit report to be included in both the full Annual Report and Summary Annual Report.

Background/Tuhinga

Council posted a total comprehensive revenue and expense surplus in its statutory financial statements for the 2025 fiscal year of $132,280m (2024: $7,898m). This surplus was predominantly due to a net gain of $116m from the initial investment in Northport Group Limited and disposal of council's shareholding in Marsden Maritime Holdings Limited.

An explanation of the variances compared to the 2024/25 budget published in the Amended Long Term Plan 2024-2034 is provided on page 69 of the 2025 Annual Report - provided as **Attachment One.**

At the August 2025 council meeting, the 2025 draft net surplus presented to council was $0 after $2,388m was set aside to reduce debt, and $1,074m was set aside to cover the reduced rating revenue in 2025/26. The movement from the August draft result to the total comprehensive revenue and expense of $132,280m reported in the 2025 Annual Report is explained in **Table One.**

Table One

Councils 2024/25 Net Surplus Reconciliation		**Actual $,000**
Council Net Surplus after Transfers from/(to) Reserves - reported to Full Council in item 6.4 of the August 2025 Agenda:		**$0**
Add back Transfers to Reserves as these do not form part of the Statutory reporting format on page 68 of the 2025 Annual Report		11,315
Add the **non-cash gains/(losses)**:		
+	Non Cash Fair Value (FV) Gain on initial investment in Northport Group Limited	124,000
+	Non Cash FV Gain on revaluation of Investment Property	3,422
+	Non Cash FV Gain on revaluation of Owner Occupied Buildings	1,105
+	Non Cash FV Gain on revaluation of Forestry Holding	683
+	Gain on sale of forestry carbon credits	218
+	Non Cash unwind of discount issued with the Kaipara Water loan	91
+	Reversal of REL impairment upon receipt of goodwill payments	35
-	Non Cash Loss on disposal of investment in Marsden Maritime Holding Limited	(7,828)
-	Non Cash Loss on disposal of investment properties demolished during the year	(755)
-	Non Cash FV Loss on revaluation of Owner Occupied Land	(30)
-	Non Cash FV Gain on revaluation and impairment of Mid North water company convertible note	(10)
Add Councils share of its **Associate surpluses**: (Northland Inc. and Regional Software Holdings Limited)		34
Total Comprehensive Revenue & Expense - as reported on page 68 of the 2025 Annual Report		**132,280**

Attachments/Ngā tapirihanga

Attachment 1: 2025 Annual Report ⇩

Attachment 2: Review of Northland Regional Council 2025 Annual Report and Audit Process - Steve Watene ⇩

Attachment 3: Deloitte Report to Council for the year ending 30 June 2025 ⇩

Pūrongo ā Tau 2025
Annual Report 2025

Northland REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

Ihirangi

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Wāhanga tuatahi: Tirohanga whānui

Section one: Overview

Ngā karere mai i te Heamana me te Tāhūhū Rangapū

Chair and CEO's foreword

The 2024/25 year was busy across many areas for council. Balancing necessary work with fair rates remains a focus. In June, a 3.54% rates rise was adopted - well below the earlier forecast of 5.79% - thanks to efficiencies, savings and surpluses.

Post the 2023 national election, major legislative changes continue under the coalition government, including significant Resource Management Act reforms.

A notable development over the year was council's joint investment in consolidating Marsden Maritime Holdings and Northport ownership, enhancing regional infrastructure, boosting iwi/hapū involvement and building economic resilience. Council now holds a 43% stake, alongside Port of Tauranga (50%) and Tupu Tonu - Ngāpuhi Investment Fund Limited (7%).

Council continues to collaborate with tāngata whenua, including signing Northland's first Iwi-Council Mana Whakahono ā Rohe (MWAR) agreement with Ngāti Hine, improving participation in RMA decision-making processes.

A year-long project began to improve flood resilience at 35 vulnerable marae across Te Taitokerau. This initiative supports tāngata whenua facing climate impacts, aligning with the Tāiki ē Te Tiriti Strategy.

In February, 22 community-led climate initiatives shared $600,000 to build climate resilience.

Council's Natural Resources and Maritime teams partnered with hapū and marine biologists to monitor rāhui tapu zones at Rākaumangamanga/Cape Brett and Mimiwhangata, introduced no-take rules to protect these ecosystems, and assess their ecological recovery.

August marked the official opening of the $7M Otiria/Moerewa Spillway - a community-led flood solution - redirecting water into the Waiharakeke River and reducing risks to life and property. A $1.1M upgrade to Quarry Rd bridge in Kaitaia eliminated a major flood pinch point, complementing the wider Awanui River flood scheme.

Council received $6.2M in February to support efforts to eradicate the invasive exotic Caulerpa seaweed. Work to tackle this unwanted marine pest includes the development and testing of large scale suction dredging at Ōmakiwi Cove and surveying over 100 km of seafloor.

From November to March, initial public feedback helped inform the review of Northland's Regional Pest and Marine Pathway Management Plan, ahead of a revised draft in 2026. The plan seeks smarter, better-targeted pest control efforts.

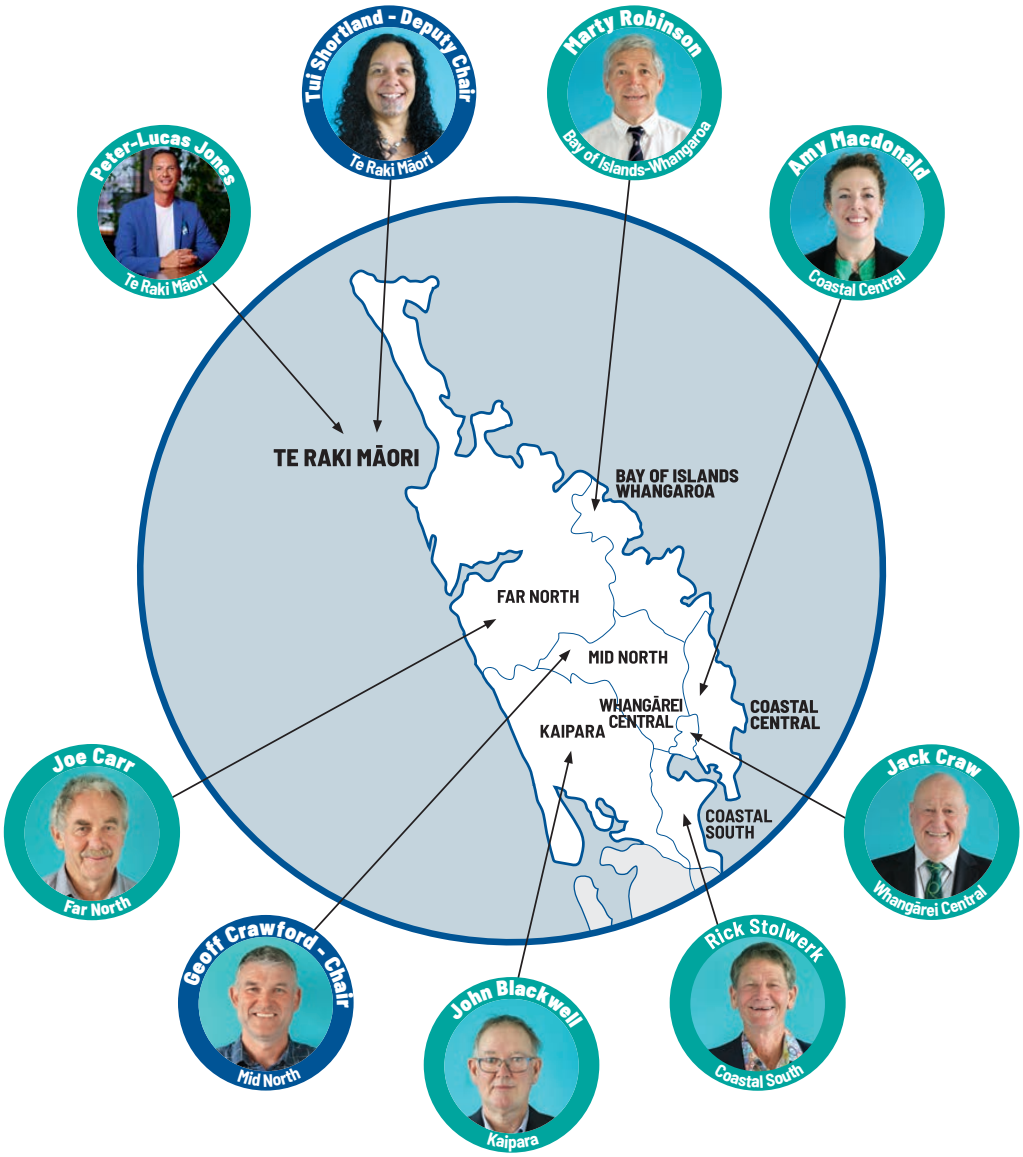
In April, Ex-Tropical Cyclone Tam knocked out power for 24,000 homes. Council's Civil Defence, hydrology and response teams worked with partners to monitor, prepare, and update communities throughout the storm.

In closing, 2024/25 highlighted council's strong commitment to resilience, sustainability and partnership. With prudent financial decisions, strengthened tāngata whenua relationships, bold action on climate and biosecurity, and vital infrastructure investment, we remain focused on supporting a thriving Te Taitokerau.

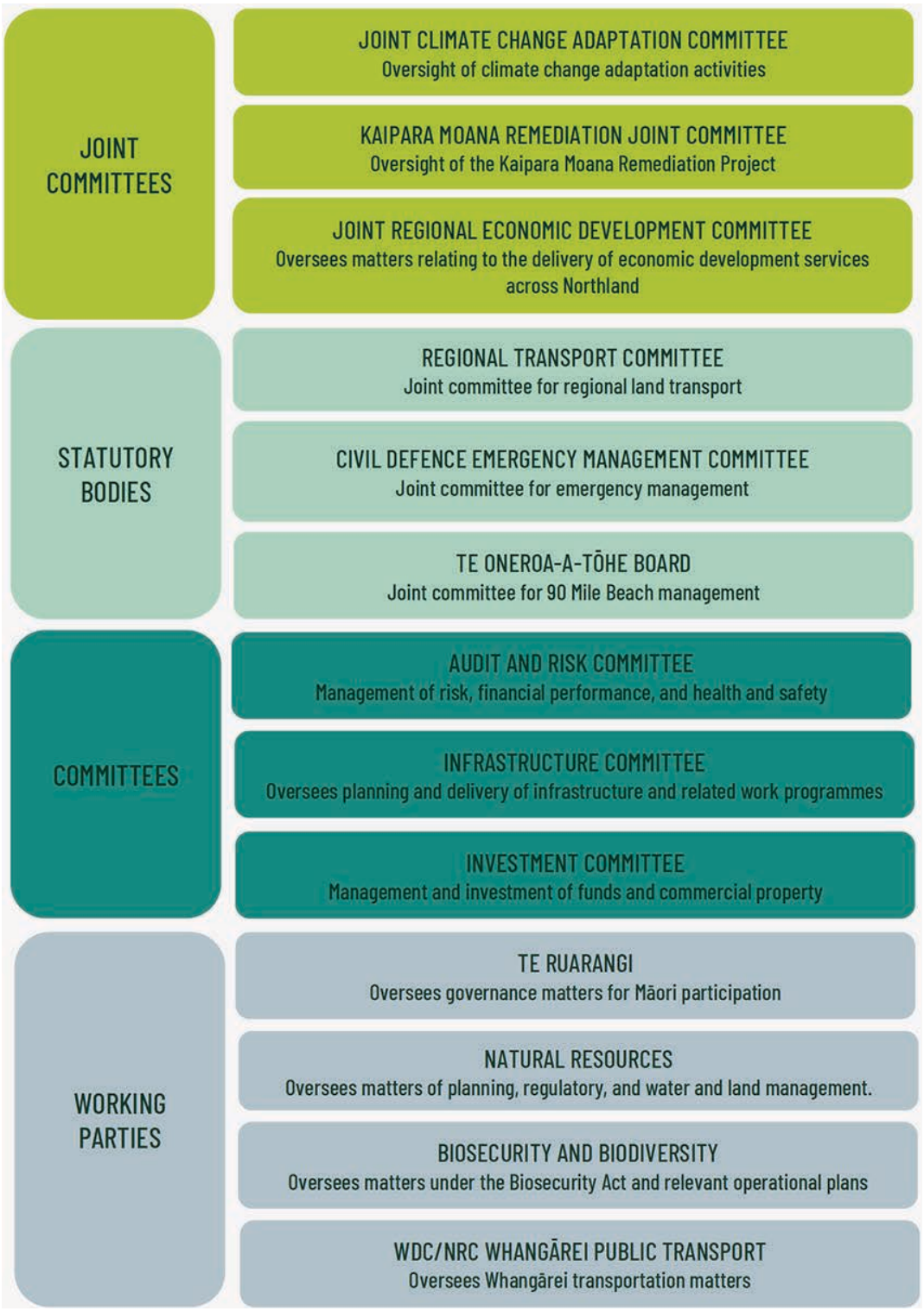
Geoff Crawford
Chair

Jonathan Gibbard
Chief Executive Officer

Ō tātou Kaikaunihera
Our regional councillors



Governance structure



Council membership, responsibilities and advisors

Regional council representation on joint committees and boards

Regional Transport Committee

Regional council membership: two elected members as Chair and Deputy Chair

This statutory committee brings together Northland's four councils and NZ Transport Agency Waka Kotahi, and oversees strategic transport planning and passenger transport functions for the Northland region.

Civil Defence Emergency Management Committee

Regional council membership: the Chair or their delegated representative plus one alternate

This statutory committee brings together Northland's four councils (with Fire and Emergency, NZ Police, and the National Emergency Management Agency in an observer capacity) and sets the strategic direction for the CDEM Group.

Te Oneroa-a-Tōhe Board

Regional council membership: two elected members plus one alternate

This board is a statutory body as a result of Treaty Settlement and is a joint committee with Far North District Council, Te Rūnanga o Te Rarawa, Te Manawa o Ngāti Kuri Trust, Te Rūnanga Nui o Te Aupouri Trust, Te Rūnanga o NgāiTakoto, overseeing the implementation of the Beach Management Plan for Te-Oneroa-a-Tōhe (Ninety Mile Beach).

Joint Climate Change Adaptation Committee

Regional council membership: one elected member plus one alternate

This joint committee provides direction and oversight of the development and implementation of climate change adaptation activities by local government in Te Taitokerau.

Kaipara Moana Remediation Joint Committee

Regional council membership: three elected members

This is a joint committee with Kaipara uri, Auckland Council and NRC, providing oversight of the Kaipara Moana Remediation Programme.

Joint Regional Economic Development Committee

Regional council membership: two elected members

This joint committee oversees matters relating to the delivery of economic development services across Northland.

Council committees

Note, the Chair of council is ex-officio on all council committees and working parties and is included in the total count below.

Infrastructure Committee

Three elected members, with one to be appointed as Chair of the Committee, and independent tāngata whenua members (x2)

Audit and Risk Committee

Five elected members, independent consultant (x1), independent risk advisor (x1), and independent tāngata whenua members (x2) of which one is independent Chair

Investment Committee

Four elected members, independent investment advisors (x2) of which one is Chair, and an independent tāngata whenua member (x1)

Council working parties

- WDC/NRC Whangārei Public Transport Working Party – three elected members, and three Whangarei District Council elected members
- Natural Resources Working Party – five elected members, and four members of Te Ruarangi
- Biosecurity and Biodiversity Working Party – four elected members, and four members of Te Ruarangi
- Te Ruarangi – up to 30 members in total consisting of all nine elected members, and up to 21 appointed iwi and hapū members from Taitokerau Māori.

Collaborative Community Working Groups

- Kāeo-Whangaroa River Working Group – one elected member as Chair plus one alternate
- Kaihū River Working Group – one elected member as Chair
- Kerikeri River Working Group – one elected member as Chair plus one alternate
- Ruakākā River Working Group – one elected member as Chair
- Taumārere River Liaison Working Group – one elected member as co-Chair plus one alternate
- Urban Whangārei Working Group – one elected member as Chair
- Awanui River Working Group – one elected member as Chair plus one alternate

Councillor portfolios

- Kaipara Moana Working Party – two elected members
- Northland Īnanga Spawning Habitat Restoration Project - one elected member
- Northland Conservation Board – one elected member
- Shareholder representative for Northland Marsden Maritime Holdings Limited – Chair of council
- Shareholder representative for Northland Inc. Limited – Chair of council
- Shareholder representative on Regional Software Holdings Limited – Chair of council
- Upper North Island Strategic Alliance (UNISA) – Chair of council
- Zone One (LGNZ) – Chair of council

Advisors

Auditors:

- Deloitte Limited on behalf of the Auditor-General

Bankers:

- ANZ
- ASB
- BNZ
- Westpac Bank

Solicitors:

- Brookfields Law
- Buddle Findlay
- Cameron Partner
- Chapman Tripp
- Cochrane Advisory
- Cooney Lees Morgan
- Duncan Cotterill
- Gordon Pilditch
- Karenza de Silva
- Lizzy Wiessing
- Marsden Woods Inskip & Smith
- SBM Legal
- Simpson Grierson
- Thomson Wilson Law
- Tompkins Wake
- Webb Ross McNab Kilpatrick
- Wynn Williams

Independent Advisors/Consultants:

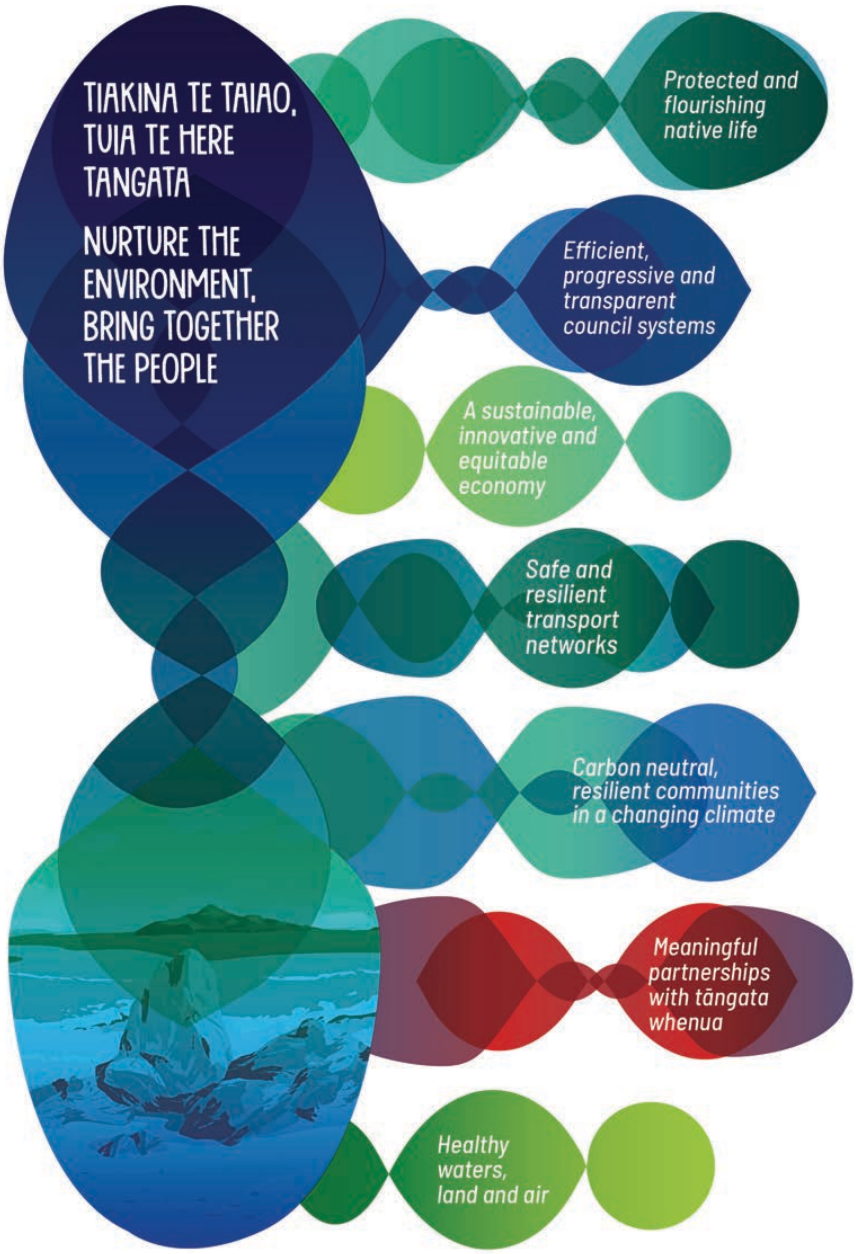
- Daniel Musset -Investments
- Dee-Ann Wolferstan - Tāngata Whenua
- Eriksens Global - Managed Funds Consultant
- George Riley - Tāngata Whenua
- PricewaterhouseCoopers - Treasury
- Steve Watene - Risk

Chief Executive Officer:

The Tāhūhū Rangapū (Chief Executive Officer) Jonathan Gibbard is responsible for setting the direction of the council within the policy framework provided by councillors. The Executive Leadership Team is accountable to him and he is accountable to the council.

Council's strategic direction

This is the first Annual Report following the adoption of the Long Term Plan 2024-2034 in June 2024 and subsequent amendment in April 2025, becoming the Amended Long Term Plan 2024-2034. In planning for the years ahead, council reflected carefully on its role as a regional council: the future it's working towards, what it's legally required to deliver on, what tāngata whenua and communities want council to be doing, and what the region can reasonably afford to pay for it all. This is outlined as our strategic direction, which is driven by our vision: **Tiakina te taiao, tuia te here tangata | Nurture the environment, bring together the people.** Our strategic direction also sets out council's community outcomes, which drive the activities and performance measures set out in the long term plan, and are reported on in this Annual Report.



Our year in review

Our Amended Long Term Plan 2024-2034 sets out the pathway for the next decade and how council seeks to achieve a strong future for Te Taitokerau, with healthy wai where our children can safely swim, resilient communities in a changing climate, and where whānau and whenua flourish. There is hugely important work to be done to care for te taiao (the natural environment) and prepare communities for the long-term effects of climate change and natural hazards. However, affordability remains a critical issue for Northland's people and council must ensure that its mahi (work) is delivered efficiently and cost-effectively.

Council's Amended Long Term Plan provided funding, with significant new work particularly in our climate action, biosecurity, flood management, Te Tiriti Partnerships, and support services areas, to keep up the mahi and relationships that will nurture our environment and people into the future.

Some of our progress is reported in this annual report, but it's just a snapshot – the progress is much wider. Here are some of our highlights from the year:

Natural environment

Marine Protected Areas

Our Natural Resources and Maritime teams, in partnership with local hapū and supported by marine biologists, have been out monitoring marine life in and around the new rāhui tapu marine protected areas in Rākaumangamanga/Cape Brett and Mimiwhangata.

We've introduced no-take rules to protect the significant ecological values of these areas, which have been severely impacted by fishing.

The aim of the monitoring is to keep track of whether the new rules are making a difference.

Kaipara Moana Remediation Programme

As of 30 June 2025 (three and a half years into delivery) KMR has supported 862 sediment reduction plans, with a further 132 plans in development. More than 144,000ha are covered by KMR plans. Through investments worth over $26M, KMR has supported over 2.67 million plants and trees in the ground or contracted to plant this winter, 1422ha planted or regenerating into native forest, and over 1000km of fencing – the equivalent distance from Cape Rēinga to Wellington. By year end, 1321 landowners had expressed interest in working with KMR, including 93 hapū, marae, community groups, catchment groups and other collectives. KMR has accredited 51 local businesses and nurseries and supported 217 people in training and skills development.

Regional Plan for Northland

In late March council resolved to make the Regional Plan operative, and a copy was forwarded to the Minister of Conservation for final approval. This marks a significant milestone, and involved significant community and tangata whenua involvement, to set the policies and rules around the sustainable use, development and protection of our regions natural and physical environment.

Freshwater Plan

Work on the Freshwater Plan Change was paused due to changes in central government direction. However, collaborative work continued with the Tāngata Whenua Water Advisory Group and the Primary Sector Liaison Group to identify options for managing stock exclusion, with support from internal scientists and economists.

Regional Pest and Marine Pathway Management Plan

From November to early March we asked for initial feedback on how invasive plants and animals are being managed in our region as part of a review of the Northland Regional Pest and Marine Pathway Management Plan.

The pest plan is all about how pests can be best managed in Te Taitokerau, to protect te taiao, the wellbeing of whānau and communities, and our economy. There'll be another opportunity for input once a new Pest Plan is drafted and released for submissions in 2026.

The plan aims to get the right management approaches in place for the many species classed as pests in Te Taitokerau and direct the right balance of resourcing and funding to the right places and people to tackle them.

Marine biosecurity – exotic Caulerpa

In February council was successful in securing $6.2M in government funding for groundbreaking work to tackle invasive exotic Caulerpa seaweed in the region.

We are continuing to work with our partners to look at new and innovative ways to manage it, including developing and testing a suction dredge. While this is still in research, development, and design phase, it has been used to treat more than 20,000m2 of seafloor at Ōmakiwi Cove, and is the largest mechanical marine pest control operation internationally. Meanwhile, more than 100km of seafloor was surveyed by NRC dive teams and contractors looking for this marine pest.

Hull surveillance

Council's annual hull surveillance programme resumed in December 2024, targeting 2000 vessels, approximately half of Northland's recreational fleet. The target was exceeded this year with 2300 vessels surveyed.

Freshwater gold clam

A key operational priority was actively preventing the introduction and spread of the invasive freshwater gold clam into Northland. A biosecurity checkpoint at Kai Iwi Lakes (Dec 2024–Feb 2025) involved iwi, council, and community partners. A total of 826 surveys were completed. Visitor data confirmed travel links between Northland and Waikato, reinforcing the risk of potential pest transfer.

Working towards a wild deer-free future

Only three sika deer remain in Russell Forest following a year-long eradication trial that began in May 2024. To date the project has successfully removed more than 60 deer and about 500 goats. This is the first step in a wider project aimed at achieving a wild deer-free Te Taitokerau.

Pest plants

After the discovery of sea surge (Euphorbia paralias) at two sites in Northland last year, surveillance along the west coast was a major focus for 2024/2025. With funding secured from MPI, staff collaborated with local volunteers and iwi and hapū teams to survey more than 175km of coastline, install signage and distribute flyers to beach goers. Five new locations (comprising 20 smaller sites) were identified, including the first site on the northern coastline, at Kapowairua, Spirits Bay, in June 2025.

Predator Free 2050 – Possum Free Whangārei Heads

Now in its fourth year, the Possum-Free Whangārei Heads project is making major strides toward eradication. An additional 1000ha has entered the final detect-and-response phase, with full mop-up across the remaining 2961ha targeted for completion by June 2026. A key milestone was the establishment of a defensive barrier (a virtual barrier made up of a concentrated network of new technology devices) between Parua Bay and the upper Pataua River. Work has expanded into the Kauri Mountain Reserve, with strong support from local hapū. This effort is critical to preventing reinvasion into previously cleared areas like Manaia and Te Whara.

Predator Free 2050 – Pēwhairangi Whānui (Bay of Islands)

The Predator Free 2050 programme in the Bay of Islands is making notable headway across three key peninsulas: Russell, Purerua-Mataroa, and Rakaumangamanga/Cape Brett. Currently, 5745ha are close to complete pest elimination, while a further 13,555ha are actively managed and expected to meet elimination goals by the end of 2026.

Russell Peninsula

Strong community backing and public donations have enabled the project's expansion into the Tikitikioure bush, and near-zero pest levels have been achieved in Tapeka, Russell township, and the Old Russell peninsula.

Purerua-Mataroa Peninsula

The Kiwi Coast Trust has successfully maintained low possum numbers over 4595ha, supported by advanced AI traps and camera alerts targeting feral cats. Ngāti Rēhia has fully deployed devices across 485ha of whenua Māori, strengthening buffer zone suppression.

Rakaumangamanga/Cape Brett Peninsula

The Rakaumangamanga project, under the leadership of Te Rawhiti 3B2 Ahu Whēnua for Ngāti Kuta and Patukeha, has completed pest knockdown across 2200ha, with elimination efforts targeting 1100ha and additional funding from Ngā Whenua Rāhui supporting the remainder. Two new trapper huts have also been installed to facilitate extended field operations.

Community resilience

Awanui Flood Scheme upgrade; Quarry Rd bridge project

A $1.1M project to upgrade Kaitaia's Quarry Rd bridge, a known flooding 'pinch point', was finished in June.

The additional capacity created by the works, which included a 15m bridge extension, adds significant improvements to the Awanui River Flood Protection Scheme of further reducing the risk of flooding to adjacent properties and the township of Awanui. By leveraging central government funding, council reduced the cost of this work to local residents to approximately 12 cents per dollar.

Otiria-Moerewa flood mitigation spillway and bridge

In August council welcomed the official opening of the $7M Otiria/Moerewa Spillway, a major flood infrastructure asset for the region.

The community-led scheme is a testament to the collaboration between the council, the two local marae and hapū Ngati Kopaki and Ngati Te Ara kaumatua, kuia and kaitiaki, the Taumarere Flood Management Working Group, the Far North District Council and Kānoa - Regional Economic Development & Investment Unit.

The work means that in a flood, most water will be sent down the new spillway and into the Waiharakeke River. While floods will still occur, parts of the area previously subjected to potentially damaging and life-threatening half-metre deep floodwaters should see that reduced to

just ankle height. By leveraging central government and other funding, council reduced the cost of this work to local residents to approximately eight cents per dollar.

Climate Resilience Fund

In February we announced 22 projects around Te Taitokerau would share $600,000 of council funding designed to support communities to prepare for the growing effects of climate change and the natural hazard risks our region faces.

Flood Resilient Marae project

During the 2024/25 year we began a year-long project to bolster flood resilience of marae in Te Taitokerau. This project aimed to mitigate the risk of natural hazards on these vital community hubs. The initiative focused on marae most vulnerable to flooding, identified using council's GIS flood mapping throughout Te Taitokerau. This initiative aligns with one of the priorities set out in Tāiki ē, our Te Tiriti Strategy and Implementation Plan, to support tāngata whenua in addressing the effects of an uncertain climate and enhancing community resilience to natural hazards.

Emergency management

Mangawhai tornado

On 26 January 2025 Kaipara District Council activated its Emergency Operations Centre (EOC) to support the response to the Mangawhai tornado. The EOC response was well supported by agencies including the Red Cross Disaster Welfare and Support Team, New Zealand Response Team, Task Force Kiwi, Auckland Emergency Management, Auckland City Council and Northland CDEM.

Ex-Tropical Cyclone Tam

In mid-April Ex-Tropical Cyclone Tam brought severe weather to Northland, causing power outages for over 24,000 homes and businesses, with around 25 properties remaining without power for more than five days.

In response, the Civil Defence team, alongside the regional council's hydrology and other functions, worked closely with emergency services and partner agencies to monitor conditions, prepare for potential activation, and share safety updates with the community – ensuring readiness and keeping residents informed throughout the event.

Tsunami sirens

The tsunami siren replacement project continues to progress, with 89 of 94 new sirens installed across Northland. The project is a joint initiative by all four of Northland's councils, with the Northland Civil Defence Emergency Management (CDEM) group coordinating the project. Once complete, the new sirens, along with our other warning tools, will help provide more resilient and effective warnings to Northlanders for tsunami threats.

Transport

Total Mobility Scheme Whangārei

This year there were 1955 more trips than the previous year due to the continuation of the government introduced 75% discount and the relaxed eligibility criteria. Total Mobility in Whangārei continues to rise in both client numbers and trips undertaken.

Total Mobility Scheme Far North

There are currently 413 clients registered to the scheme in the Far North. The service started in Kerikeri and has since extended to Kaikohe, Kawakawa, Paihia, and Mangōnui. In 2025 the focus is on growing the scheme in Kaitaia.

Regional Leadership

Northport ownership consolidated

One of the big changes over the 2024/25 year came when – alongside our strategic partners Port of Tauranga and Tupu Tonu (Ngāpuhi Investment Fund Ltd) – we decided to contribute to a landmark investment to consolidate Marsden Maritime Holdings and Northport ownership.

This move will enhance regional infrastructure, strengthen iwi/hapū participation and contribute to our region's long-term economic resilience.

Council now holds a 43% stake in Northport Group Limited, a new company holding the assets of both Marsden Maritime Holdings and Northport, Port of Tauranga holds a 50% stake and Tupu Tonu 7%.

Rates rise

In June council adopted a rates rise of 3.54% for the 2025/26 financial year – considerably less than the 5.79% increase previously forecast.

The increase – which accounts to an increase of $19.19c per rates bill on average over the next year – was originally forecast to be more than two percent higher under the council's Amended Long Term Plan 2024-2034. The smaller-than-expected increase was due to a combination of factors including efficiencies, savings and surpluses available to offset spending and funding shortfalls.

Mana Whakahono ā Rohe

We have continued to work with our tāngata whenua partners across many areas, including in December when Ngāti Hine and council made history, signing Northland's first Iwi-Council resource management agreement – a Mana Whakahono ā Rohe (MWAR).

MWAR agreements were introduced into the Resource Management Act (RMA) in 2017 by the Crown as a way of improving working relationships between tāngata whenua and councils, and to provide more opportunities for tāngata whenua involvement in RMA decision-making processes.

While several Northland hapū-NRC agreements have already been signed, the Ngāti Hine MWAR was the first for a Northland Iwi.

Regional Rescue Services Rate allocated

In August more than $2.8M of council's contestable Regional Rescue Services Rate money was allocated for the next three years with the Northland Emergency Services Trust, Surf Life Saving Northern Region and Coastguard Northern Region among the beneficiaries. After strong public support, council decided to continue funding regional rescue services as a form of fundraising and an administrative 'community good' service on behalf of the community.

$3.8M of Regional Sporting Facilities Rate funding awarded

In June council agreed Ruakākā Wahitakaro and Northland Regional Volleyball Arena would receive up to $2.6M and Sportsville Dargaville Stage Two up to $1.2M from the Regional Sporting Facilities Rate. The GST exclusive sums will go to Ruakākā Wahitakaro and Northland Regional Volleyball Arena in the 2025/26 financial year and to Sportsville Dargaville Stage Two in 2026-2027.

Tū i te ora Scholarships 2025

Six Northland students were named as recipients of Northland Regional Council's annual Tū i te ora Scholarship, each receiving $4000 and paid work experience with council over the next summer. This is the sixth year council has awarded the scholarship, which recognises, encourages and supports students to undertake study that relates to council's environmental and regulatory functions, whilst contributing to council's vision 'Tiakina te taiao, tuia te here tangata - Nurture the environment, bring together the people'.

Whakamānawa ā Taiao – Environmental Awards

The sixth Whakamānawa ā Taiao – Environmental Awards celebration was held in June in Waitangi. These biennial awards recognise and celebrate individuals and groups making a meaningful impact to help Te Taitokerau thrive. This year, 11 winners were recognised – including nine category winners, one supreme winner, and one special award recipient – selected from a pool of 20 finalists. The next awards are scheduled for 2027.

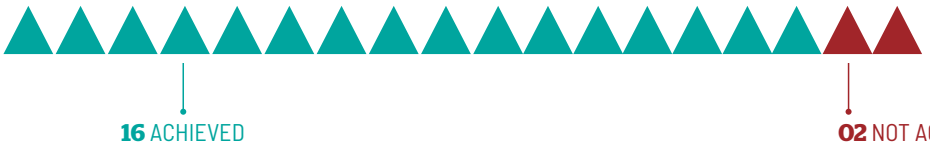
Events and engagement

Council had a strong presence at major regional events including Waitangi Day (80,000 attendees), Northland Field Days (2000+ engagements), and multiple A&P shows. Our interactive displays, wild food giveaways, and educational games helped raise awareness on topics like marine biosecurity, pest control, biodiversity, climate action and freshwater management.

Te Rūnanga Nui O Te Aupōuri's kaitiaki arm, Oranga Whenua Oranga Tangata Taiao, won both the Kaitiakitanga award and the overall Te Tohu Matua - Supreme Award at the 2025 Whakamānawa ā Taiao - Environmental Awards. (Photo credit: Dawn Dutton Photography).

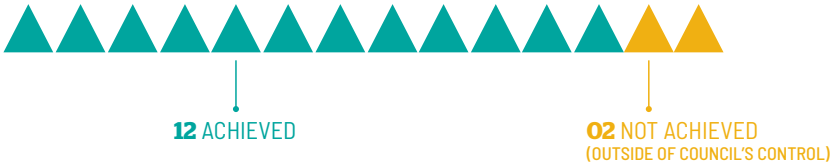
Achievement of key performance indicators

Natural environment | total 18



For more info see page 27

Community resilience | total 14



For more info see page 43

Regional leadership | total 17

For more info see page 55

Meaningful partnerships with tāngata whenua of Te Taitokerau, Northland

Council has made significant progress in building meaningful partnerships with tāngata whenua. Our guiding vision within Tāiki ē for the future is "He whenua haumoko, he wai mā, he iwi whai ora – Land that is bountiful, water that is pure and healthy, people that are flourishing". Tāiki ē serves as our Te Tiriti o Waitangi strategy and implementation plan, a roadmap towards fulfilling our obligations and ensuring accountability in achieving these goals. The name "Tāiki ē" itself is a unifying statement and a call to action, emphasising a shared commitment to collective work.

Central to this partnership is Te Ruarangi, a council working party comprised of councillors and 21 hapū and iwi representatives, which aims to reflect true partnership by respecting the mana and authority of tāngata whenua and council. Formerly known as Te Taitokerau Māori and Council working party (TTMAC), its new name represents "an expression of the vision where the principles of Kawanatanga and Rangatiratanga come together in a harmonious partnership for the benefit of the taiao".

Wānanga Waiora 2025

This partnership was recently demonstrated in the second Wānanga Waiora, held at the Waitangi Treaty Grounds in March, which was a great success, with approximately 150 people attending. Hosted by Whangaroa Taiao Ltd. this event was part of a commitment to wānanga that highlights the experiences of kaitiaki across the region and their partnership with the council, aiming to improve understanding of the Resource Management Act (RMA) and its functions. Wānanga Waiora provided a unique opportunity for Te Taitokerau kaitiaki and hapū to share te mātauranga o te taiao (knowledge of the environment). The kaupapa is centered on kotahitanga (unity) and offers a measurable tool for understanding the relationships between wai (water) and 'waitiaki' (those caring for/looking after the water), as well as the council's operational capability and positive outcomes with tāngata whenua.

Speakers included special guest Hokianga and māramataka tohunga (traditional knowledge expert) Rereata Makiha, along with representatives from various iwi and hapū groups. The 2025 event specifically highlighted the growing relationship between the council and kaitiaki (guardian/custodian), noting that enduring relationships ensure these connections continue to achieve meaningful outcomes. Furthermore, the Wānanga Waiora also helped to identify and establish a kaitiaki network. This initiative is part of an action to deliver targeted educational training programmes on resource management processes, led through Te Ruarangi representatives.

Ngāti Hine Manu Taupunga Roopu featuring Tohunga and Taiao Advocates Hori Parata and Tohe Ashby

Guest speaker Hokianga Tohunga Rereata Makiha (Te Mahurehure, Te Arawa)

Te Rūnanganui o Te Aupouri (Presenters at Wānanga Waiora and Supreme Winners Environmental Awards)

The updated Tāiki ē, adopted in April 2024, includes specific actions under five key whainga (desired goals): Capacity and Capability, Māori Representation, Water/Marine, Climate Crisis, and Economic Development. Our progress under Tāiki ē has been significant, with the majority of its 31 actions currently on track.

Significant highlights include:

- Supporting Environmental Planning and Monitoring: A total of $30,000 of funding was allocated in 2025 for Iwi/Hapū Environmental Management Plans (IHEMPs), which are crucial for building hapū/iwi capacity and capturing environmental knowledge. Additionally, the Tāngata Whenua Environmental Monitoring Fund allocated a further $130,000 to support tāngata whenua in undertaking their own environmental monitoring.
- Māori RMA Hearing Commissioners: Efforts to support and increase the number of Māori Resource Management Act Hearing Commissioners have been successful, with 13 newly accredited RMA commissioners from the November 2024 cohort.
- Mana Whakahono ā Rohe Agreements: Ngāti Hine made history in December 2024 by signing the first-ever Iwi-Council resource management agreement in Taitokerau. Te Parawhau ki Tai also joined an existing Mana Whakahono agreement in April. These agreements, introduced in the RMA in 2017, improve working relationships and provide opportunities for tāngata whenua involvement in decision-making.
- Biosecurity Partnerships: Many hapū and kaitiaki-led biosecurity partnerships across Te Taitokerau are successfully removing pests and restoring biodiversity. Examples include Predator Free Pēwhairangi Whānui and the eradication of wild deer from Russell Forest.
- Strengthening Tāngata Whenua Participation: Te Ruarangi continues to build enduring relationships, with its 21 iwi and hapū members forming 50% of council's Natural Resources and Biosecurity and Biodiversity working parties. Independent tāngata whenua advisors with voting rights also sit on 'Infrastructure', 'Audit and Risk', and 'Investment' committees, empowering Māori voices in decision-making.
- Strengthening Hapori Resilience: In response to Cyclone Gabrielle, the Hapori Resilience Action Plan delivered 250 survival bags and 500 whānau booklets across Te Taitokerau, empowering "end of the road" communities with practical tools and kaupapa Māori values.
- Taitokerau Economic Wellbeing Pathway: 'Te Rerenga', the economic wellbeing pathway for Te Taitokerau, was released in late 2024. Co-designed through a collaborative process including Te Ruarangi, it sets a vision for a sustainable, innovative, and prosperous economy focusing on the wellbeing of people, economy, and environment. It was endorsed by Te Ruarangi for its consistency with Tāiki ē.

Partnering with kaitiaki and hapū

In Te Taitokerau, a marine protected area was established in 2023 at Mimiwhangata and Rākaumangamanga (Cape Brett) following concerns from local hapū, specifically Te Uri o Hikihiki and Ngati Kuta, about the impact of overfishing on marine ecosystems. These areas involve new no-fishing rules, and their successful implementation is a direct result of the close collaborative partnership between the council and local hapū, including Te Uri O Hikihiki ki Whangaruru, Te Whanau Whero ki Whananaki, Ngāti Kuta, and Patu Keha. This collective effort signifies a commitment by council to support hapū and kaitiaki to work together for future generations.

Staff Member Nicola Hartwell with Te Uri Hikihiki – Ngā Wai Tiaki o Tangaroa

The progress highlighted in this report demonstrates the significant strides made in embedding Te Tiriti o Waitangi principles into all the council mahi. The commitment to shared values and active partnership with tāngata whenua is consistently achieving positive and enduring outcomes for all people of Te Taitokerau and the taiao.

Climate action

Climate change remains one of the most pressing challenges of our time, and its impacts are already being felt across Te Taitokerau. The Northland Regional Council (council) acknowledges the urgency of this issue and is committed to transforming how our society and economy operate to ensure a resilient future. Living in te ao hurihuri—the ever-changing world—requires bold action to address the environmental disruptions caused by greenhouse gas emissions and to safeguard our communities and taonga for future generations.

To guide this transformation, council has adopted two key strategies: Ngā Taumata o te Moana, focused on organisational led change and the Te Tai Tokerau Climate Adaptation Strategy, developed collaboratively with all four Northland councils and iwi/hapū. These strategies have been consolidated into a unified Regional Adaptation Programme, structured around seven workstreams that address both mitigation and adaptation priorities.

Implementation of this programme has been supported through initiatives adopted in the Long Term Plan 2024–2034. Key foundational efforts included staff recruitment, the establishment of the Climate Resilient Communities Fund, and extensive community engagement. These efforts have laid the groundwork for community and hapū-led adaptation planning, which continues to progress steadily. Regional networks focused on emissions reduction are also gaining strength, reflecting a growing collective commitment to climate action.

A governance review completed in late 2024 has provided recommendations that will guide future improvements in the region, including how council understands, communicates, and responds to climate-related risks. Enhancing cross-agency collaboration, transparency, and reporting will be critical to ensuring that communities are informed and engaged in climate resilience efforts. To support this, a new website has been developed to showcase climate action initiatives, and tell the many community success stories - **ttcan.nz**.

Over the past year, council has supported a wide range of activities aimed at building resilience. There has been considerable interest in tāngata whenua-led adaptation planning, with direct funding allocated to hapū projects. These initiatives not only build capacity but also offer valuable learning opportunities that can inform future adaptation efforts across the region. Community-led resilience initiatives have also seen strong uptake, with 175 applications received for the first two tranches of funding. This far exceeds the available budget of $1.2M so far. This overwhelming response highlights both the urgency and the ingenuity within Northland communities.

Council has actively sought opportunities to enable others to contribute to climate action. This includes sponsoring environmental and business awards, partnering with agencies for targeted engagement, and supporting upskilling initiatives within the business sector. Education remains a key focus, with professional development for staff, community workshops on coastal erosion, and continued support for the intern programme to help build the next generation of climate leaders.

The council has also taken steps to influence national policy, including hosting the Climate Change Commission during its evidence-gathering roadshow for the National Climate Risk Assessment.

Community adaptation planning projects in Hokianga and Oakura/Whangaruru are underway, driven by district councils and supported by the regional council through formally established Terms of Reference and Memoranda of Understanding with each.

To improve understanding of regional risks, council is developing a Te Taitokerau risk portal using Urban Intelligence's Resilience Explorer. This tool will support councils and lifeline agencies by making hazard information more accessible. Flood modelling projects, including updates to hazard maps for the Wairoa River and a trial of the Delft Early Flood Warning System in the Waitangi catchment, are helping to improve forecasting and preparedness. Council is also collaborating with Whangarei District Council on an Urban Flood Strategy to address complex flood risks in the city.

Preparations are underway for upcoming changes to Land Information Memoranda (LIMs), with upgrades to the Natural Hazards Portal aimed at improving clarity and accessibility of hazard information. Council is supporting NIWA's Future Coasts Aotearoa programme. This programme monitors coastal wetland responses to sea-level rise at Rangaunu Harbour and will provide valuable data for future adaptation planning. A GIS mapping project has documented recovery efforts following Cyclone Gabrielle, offering insights into funding distribution and guiding future investment strategies.

On the emissions reduction front, council continues to measure and report its operating emissions, with a slight reduction noted in FY23/24. Achieving the target of a 50% reduction by 2030 will depend heavily on electrifying the CityLink bus service, with a key opportunity arising when the contract is renewed in 2027. Regionally, council has supported the development of a local emissions data platform that enables annual tracking and scenario modelling to inform policy and planning.

Collaborative efforts have also led to the creation of climate scenarios for the local government sector, exploring how climate change may affect service delivery through 2035, 2050, and 2100. These scenarios consider a range of risks and drivers, helping councils integrate climate considerations into long-term planning.

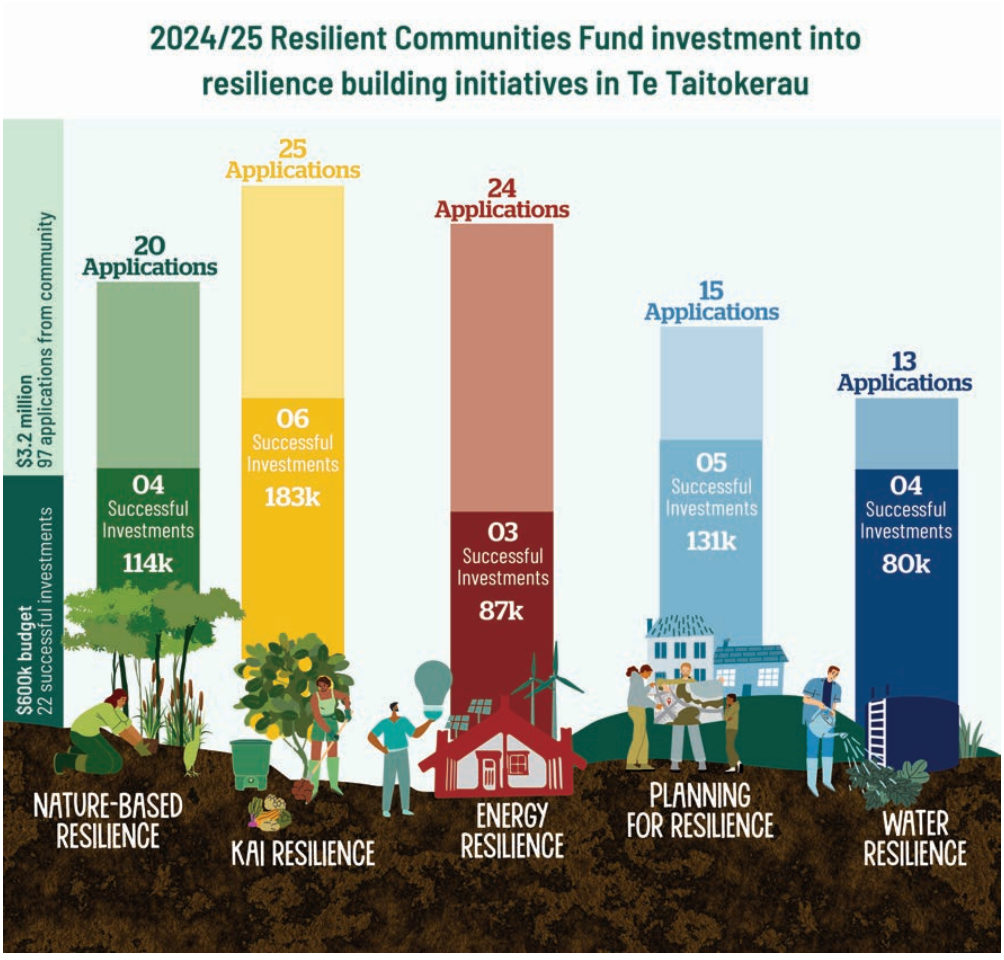
Council partnered with Northland Inc to deliver the Tourism Carbon Footprint Project, enabling 50 local businesses to measure and reduce their emissions. This initiative will build awareness, improve efficiency, and strengthen the sustainability credentials of Northland's tourism sector.

To support sustainable land use, council is backing the Land Use Navigator project led by Adapterra in conjunction with Northland Inc. This initiative aims to develop an interactive spatial platform that integrates regional data and tools to support informed land use decisions. The scoping phase includes engagement with landowners, primary sector agencies, and mana whenua, with pilot testing in Poutō Peninsula and Mid North.

Finally, council is supporting the emergence of Electrify Te Taitokerau, a coalition aligned with Rewiring Aotearoa, advocating for electrification to reduce emissions, lower energy costs, and enhance resilience.

Looking ahead, council will continue to lead by example in emissions reduction, embed climate considerations into decision-making, and collaborate with partners to support a just transition to a low-emissions future. The council remains committed to empowering communities, fostering innovation, and building a climate-resilient Te Taitokerau.

The Climate Resilient Communities Fund is set to increase to $1M in its third year, reaffirming the council's commitment to catalysing a transition toward a climate-resilient future. This fund will prioritise opportunities that accelerate progress, promote equity, and foster authentic partnerships. Additionally, a resilience toolkit is being developed to help communities assess their current resilience levels and identify practical steps to improve. This toolkit will also provide access to relevant resources and funding opportunities.



Compliance statement

Northland Regional Council

Annual Report

For the year ended 30 June 2025.

Statement of Compliance

The council and its officers are responsible for preparing this report and financial statements, including the statement of service performance, and confirm that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

In our view, this Annual Report fairly reflects the financial position and operating results of the council and its subsidiaries for the year ended 30 June 2025.

Geoff Crawford
Chair

Jonathan Gibbard
Chief Executive Officer

Date: 23 September 2025

Audit report

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Wāhanga tuarua: Ngā mahi a te kaunihera

Section two: Council activities

Overview of our activities

Northland Regional Council is required by law to deliver a range of core services and strives for excellence in delivering these. There are also other services that we deliver outside of our legal requirements.

We do this where we can (within legislative mandate) to respond to requests from our communities, address issues that arise, and make the most of opportunities, where the service or activity contributes to achieving good outcomes across the region.

In 2024 (and subsequent amendment in April 2025) council approved the **Amended Long Term Plan 2024-2034**, which sets out the range of services we intend to deliver during the next 10 years.

These services are broken down into activities and are grouped as follows:

- **Natural environment** - science, catchment management, biodiversity, biosecurity, planning and policy, consents, and compliance monitoring
- **Community resilience** - flood risk management, climate action, emergency management, oil pollution response, harbour safety and navigation, and transport
- **Regional leadership** - governance, Māori partnerships, economic development, community engagement, customer services, corporate services

The Amended Long Term Plan 2024-2034 identified the significant aspects of each service and set performance measures and targets for these to enable the levels of service, and therefore progress on community outcomes, to be assessed.

These performance measures and targets are reported on for the first time in this Annual Report 2025 following the adoption of the Amended Long term Plan 2024-2034.

Te taiao

Natural environment

Manaaki Taiao	**Care for the natural environment**
Manaaki Tāngata	**Care for people**
Haere Whakamua	**Progress forward**

Te Taitokerau's natural resources are critical to the wellbeing of the region and its community.

The range of activities required to manage our natural resources is captured in this natural environment group of activities: it combines our focus on quality data and science, programmes of protection and enhancement, and management via council's regulatory and planning responsibilities. Our natural environment work relies on collaboration with other agencies, communities and landowners to achieve great outcomes.

The natural environment group of activities relates to two of our community outcomes and progress on these is reported in the section "What we did", and via our levels of services and associated performance measures.

Community outcome: Healthy waters, land and air

- Science
- Catchment management
- Planning and policy
- Consents
- Compliance monitoring

Community outcome: Protected and flourishing native life

- Biodiversity
- Biosecurity

Changes to level of service

In the natural environment group of activities, the levels of service within each activity remained the same as those in the Amended Long Term Plan 2024-2034. Performance measures have been well achieved, with 16 of 18 targets met. Of the two targets not met, one of these was due to a change in national direction, and one was due to lack of resourcing in the compliance monitoring team as recorded in the following tables.

What we did

Environmental science and monitoring

The Natural Resources teams performed well with numerous major work programmes and service delivery functions delivered to a high standard.

Monitoring

The Hydrology team responded to 12 MetService Severe Weather Watches and Warnings for heavy rain, requiring Hydrology duty staff to monitor rainfall and river levels and provide updates to Emergency Management.

A prolonged dry period through summer and early autumn (December 2024 to the end of March 2025) required the Hydrology team to provide frequent water shortage/climate updates, additional water take compliance flow monitoring, and two catchment low flow investigations (Whangārei Harbour, and Kaihu).

The Water Quality Field Operations team collects 2300 water quality samples annually across our 50 river sites, 46 coastal sites, 15 monitored lakes, 38 groundwater sites, and 80 recreational bathing sites. Annual report cards are available for our monitored sites on our website and data is available through the Environmental data hub on council's website, and other online resources such as LAWA.

The Water Quality Field Operations team met with Auckland Council and Waikato Regional Council at the Auckland field office in September 2024 to compare field data collection procedures and learn from each other's experiences.

A key learning from the workshop was Waikato's experience in maintaining its monitoring programmes through the discovery of the highly invasive freshwater clam, *Corbicula fluminea* (Gold Clam). Corbicula are particularly hardy, with normal biosecurity measures (Clean, Check, Dry) not effective against them. Water quality fieldwork generally requires movements between water bodies each day – therefore council biosecurity procedures are very important.

Data management

The Data team collaborated with Kaitiaki Whangaroa, integrating iwi/hapū data into the council public environmental data portal.

Drought map coding developed by the Data team for Northland was rolled out at a national scale. These maps are intended to provide a national 'situation analysis' that may help with responses to extreme dry conditions and show the development of drought conditions from month to month and region to region. The maps are updated monthly, and multiple central governments are now utilising them. Work is underway to provide a permanent mapping product.

Science

The Coastal State of the Environment 2024 Report was finalised and published, providing a valuable summary of the state of our coastal natural resources. The report focuses on the coastal marine area, extending 12 nautical miles off the coast, and includes land dominated by the coast (such as sand dunes and coastal wetlands). The report covers topics like sedimentation, beaches, monitoring, and coastal erosion.

A key research project for the science team that commenced this year is the development of a nutrient load model for Lake Ngātu in the Far North. Northland dune lakes are unique freshwater ecosystems with national and international significance. However, water quality in these lakes is declining. Nutrient loads from catchment run off and within the lake system drive poor water quality. Lake Ngātu is considered an outstanding dune lake and a focus lake for council's state of the environment monitoring. Sound understanding of nutrient dynamics, and associated processes and ecological responses, is necessary to inform effective dune lake management approaches to stop lake degradation and improve water quality. The project involves staff from multiple teams in council, including the Hydrology, Water Quality Field Operations, Data and Science teams. Council had to obtain concession from the Department of Conservation to install groundwater and weather monitoring stations. Council's groundwater scientist led the installation of deep and shallow bores around the perimeter of the lake for continuous monitoring of groundwater level and quality. In addition, a weather station was installed on the western bank of the lake. For the next two years council staff will collect data, which will feed into development of a nutrient model.

Iwi/hapū partnerships

Staff have continued to build relationships, attending over 28 hui with Kaitaiki groups. The focus unshifting from the previous year; learning what support ngā Kaitiaki roopu require, then providing support through advice, funding and training.

Kaitiaki from Ngāti Rēhia, Patuharakeke and Te Uri O Hau assisted council to complete the estuary monitoring in the Kaipara, Ruakaka and Kerikeri Harbours. The estuary monitoring programme is undertaken every 10 years.

Catchment management

Hill Country Erosion Fund

The Hill Country Erosion Fund is a four-year project (2023-2027) and is the fourth MPI co-funded Hill Country Erosion project run by council. The project aims to reduce sedimentation in waterways and maintain the productivity of hill country by stabilising erosion-prone land. It includes funding to subsidise the planting of poplar and willow for erosion control, fencing and planting of native establishment species to enable land use change from

marginal hill country pasture. The programme also has a focus on engaging with Māori landowners to support their aspirations for managing eroding whenua and increasing relevant training of the Land Management team.

This was the second year of the programme and achieved:

» Total area of retirement fencing 129ha

» Total length of fencing built 14.1 km

» 36ha of native planting

» 24 hui held or supported with the aim of improving uptake of the fund by tāngata whenua.

Tāngata Whenua and Community Catchment Fund

The Tāngata Whenua and Community Catchment Fund supports tāngata whenua and community or catchment groups with projects that improve the quality of freshwater in Te Taitokerau. For this year the fund allocated $474,051.75 to 20 projects across the region (excluding the Kaipara Moana catchment).

Project auditing

The team continued its poplar/willow audit programme, aimed at collecting data of plant survival rates to enable staff to give better advice on right tree/right place. Staff also started a Project Effectiveness Monitoring Programme, which will be used to re-visit previous Environment Fund projects to assess project success both from a physical and behaviour change point of view. The project will begin collecting data in the following year.

Soil Conservation Programme

Council's contract with Manaaki Whenua – Landcare Research to expand the S-Map (a digital soil map for New Zealand) data for the region resulted in:

» Field surveys conducted for Waipu-Whangārei and North Whangārei survey areas

» Completion of draft soil maps for both Waipu-Whangārei and North Whangārei study areas

» Map and descriptions available for review, and confirmation that data will be uploaded in S-Map Online by September 2025.

Council was invited to participate in The Adaption Pathways for Sustainable Peatland Management (SLMACC) project, which aims to compile an inventory of the national peatland resource to understand what areas are at risk from subsidence, greenhouse gas emissions and climate change. This project is being led by Waikato Regional Council and Manaaki Whenua – Landcare Research. Peat depth surveys were completed in Hikurangi and Waipu to contribute towards the updated national scale contour maps of peat depth.

Community engagement

Multiple community events were held or supported by the Land Management team, primarily focused on educating landowners and the wider community on the risks to the environments caused by various land uses and on the information, monitoring tools, and types of mitigations available to help with their decision making. Events included field days, SHMAK testing days with community groups and local schools, speaking at Ballance farm open day, and marae community education days.

Kaipara Moana Remediation Programme (KMR)

KMR exceeded all annual performance indicators for the year. As of 30 June 2025, three and a half years into delivery, KMR has supported 862 sediment reduction plans, with a further 132 plans in development. Over 144,000ha are covered by KMR plans.

Through investments worth over $26M, KMR has supported over 2.67 million plants and trees in the ground or contracted to plant this winter, 1422ha planted or regenerating into native forest, and over 1000km of fencing – the equivalent distance from Cape Rēinga to Wellington.

KMR projects generated over 390,000hrs of new, local employment – a year's work for over 250 people. By year end, 1321 landowners had expressed interest in working with KMR, including 93 hapū, marae, community groups, catchment groups and other collectives. KMR has accredited 51 local businesses and nurseries and supported 217 people in training and skills development.

During the year KMR was named on the 'Next95' list – a national list recognising disruptive innovation and transformational leadership in environmental sustainability. KMR was also recognised at the 2025 Kaipara District Environmental Awards, winning the Environmental Action in the Community award. This award recognises individuals or groups who show leadership in collaboration within the community to improve the environment. KMR remains in the running for the prestigious international Earthshot Prize 2025, with global finalists to be announced by early September.

Biodiversity

Operational report

The third Biodiversity Team (Te Tira Rerenga Rauropi) Annual Operational Report 2023-2024 was published this year and contributed to team planning and continuous improvement, as well as reporting its work to others in the organisation and to the public via the council's website.

Iwi/hapū partnerships

The team placed strong emphasis on giving effect to council's Te Tiriti o Waitangi commitments – actively partnering with iwi, hapū, marae, and whānau across Te

Taitokerau. These partnerships involved shared decision-making, knowledge exchange, and co-design of biodiversity initiatives including:

- Mana whenua being involved in education projects, such as coastal dune restoration and dune lake education events for kura (schools), helping to pass on ecological knowledge to younger generations
- Events like Bioblitzes and community planting days generally included hapū-led components e.g. Kohinui Bioblitz
- Coastal Partnerships – staff working alongside iwi and hapū across the region to support coastal restoration and ecological monitoring. These collaborations included hands-on events such as planting days, working bees, and wananga. An example of this was the mokomoko (lizard) monitoring and identification wananga with Patuharakeke and Ake Tai Here
- Lakes – many lakes are within land owned by Māori or managed by the Department of Conservation, therefore most actions undertaken by the Biodiversity team around lakes are in collaboration with iwi/hapū, community, the Department of Conservation and district councils. Work includes pest plant control, pest animal control, lake ecological monitoring, pine removal, fencing and lake margin planting.

Terrestrial and general

The Biodiversity team provided ongoing technical advice, reports and biodiversity planning to landowners throughout the year. This included biodiversity values site assessments, restoration and species protection guidance, helping landowners enhance biodiversity on their properties. Highlights include:

- Pekapeka (bat) survey with mana whenua at Jack's Bush, Te Paki, Whangaroa, Ruakākā and Pukenui Forests
- Kohinui Bioblitz (near Parua Bay) with Kohinui Land Care Group, Ngātu Tū ki Whangārei, other hapū and agencies, followed by a chance to share findings with the community at a Kohinui Land Care Group picnic
- Finalising Kapehu Marae kahikatea forest values assessment and restoration report at Arapohue with Ngāti Hine, Ngāti Whātua and Te Uri o Hau
- Assisting the Biosecurity team with values assessment and advice for multi-agency Te Korowai Arahi Charitable Trust project aimed at improving the health of Tāheke River
- Ongoing monitoring and protection work at Maunga Tāika (Mt Tiger), a council-owned pine forest with enclaves of native bush and high value stream systems, alongside Ngā Kaitiaki o Ngā Wai Māori and Ngāti Kahu o Torongāre.

The New Zealand Plant Conservation Network's biennial conference for scientists, students, and community was held in Whangārei in October 2024, co-hosted by council through Biodiversity with help from the Māori Relationships and the Communications and Engagement teams. More than 170 delegates from all over NZ attended. A series of fully subscribed expert-led technical workshops were held over the weekend in house and in the field including wetland plant identification, weed workshop, iNaturalist training and rongoa. The conference was opened by a whakatau from local hapū at Forum North. A Biodiversity staff member was honoured by giving the keynote address followed by two days of presentations. Field trips to local gumlands, forests and Hikurangi repo (swamp) were held on the last day, several led by council staff.

Northland Regional Council also won the national award for the Local Authority Outstanding Contribution to Plant Conservation in NZ.

Coastal biodiversity - CoastCare

Support of community and hapū coastal restoration included:

- 15,926 plants provided and planted at 20 sites
- Supported dune weed control efforts, including providing training to volunteers, paying for contractor time to support ecological outcomes and supporting/attending weeding working bees
- Organised restoration work, where help required
- Providing restoration and nature-based solutions advice.

Community and hapū engagement included:

- 31 events attended, including 17 working bees and 3 community/hapū training workshops
- Ongoing and increasing partnerships with hapū to enhance ecological and cultural outcomes.

Advocacy and education included:

- Three CoastCare Newsletters, plus an additional update, were distributed
- 15 social media posts and stories on Coastal Biodiversity topics, including: events, dune plants, shorebirds
- Front page article on dune restoration and seed collection in local paper, and video on paper's website
- Signage produced and provided for dune restoration projects and vehicle exclusion zones
- Six public advocacy events were organised and attended for Seaweek.

Monitoring and research included:

- Dune vegetation monitoring and 5-minute bird counts conducted at 12 sites with interns, local kaitiaki and schools

- Vegetation monitoring data made publicly available to inform dune management and community understanding
- Continuation of fauna monitoring at Bream Bay dunes in partnership with Patuharakeke Te Iwi Trust Board.

Technical advice and support included:

- Advice was provided to other teams, agencies, and the public on coastal restoration and nature-based solutions to coastal hazards.

Wetlands

Throughout the year, the biodiversity team provided advice, and restoration plans to 19 landowners supporting wetland conservation efforts. In-house technical guidance to the Consents, Compliance and Rivers teams on nine wetland-related matters was given. Biodiversity staff were also involved in four compliance /enforcement cases involving accurate wetland mapping and delineation in the field. Biodiversity staff assisted with delineation of wetlands on the Kaeo Floodplain to inform the consenting process around Phase Two of the Kaeo Flood Scheme including river realignment and potential creation and restoration of wetlands, saving the council money on external consultants.

A second comprehensive inhouse wetland training course was run for around 20 staff where they learnt to identify wetland types, common wetland plants, delineate wetlands using national protocols, and use the pasture exclusion tool to identify when wetlands could be grazed. The purpose was upskilling staff around wetland restoration and identification in line with requirements of the National Policy Statement for Freshwater Management. Northland's NorthTec asked the team to run a wetland introductory course for senior freshwater students, and this was delivered over a 1.5 day period in the classroom, laboratory and field.

The matuku-hūrepo (Australasian bittern), threatened by wetland loss and predators, is one of the most endangered birds in Aotearoa. Staff worked actively with community, DOC, QEII Trust, KiwiCoast, and Fish & Game to monitor matuku-hūrepo using acoustic devices that detect male calls during breeding season. Unfortunately, with the loss of wetland habitat, bittern are suffering from lack of food, and as a result increasing numbers of starving birds are being struck by vehicles on Northland's roads. Biodiversity staff have been working with roading authorities, hapū and communities to put appropriate signs into bittern "blackspot" areas, with 20 "Slow for Bittern" signs installed by NZTA and district councils at 12 locations.

Lakes

In February and March, the annual lakes ecological survey using NIWA divers and council shore team covered a total of 14 lakes and several wetlands from the Far North to Poutō. LakeSPI (Submerged Plant Index) scores at most sites remain stable with an improvement at Lake Waihopo and a decrease to a non-vegetated state in Lake Waiparera, attributed to nutrient issues, pest fish and pest weeds. Divers at Lake Ngatu found no African oxygen weed, treated by herbicide in 2020; if it remains clear, eradication will be confirmed in late 2025. This year, monitoring found that native plant beds have begun to recover in Lake Taharoa (Kai Iwi Lakes), after near-total vegetation loss following Cyclone Gabrielle two years ago.

Follow up hornwort control was done in five water bodies and Lake Waikanae (Te Aupōuri) was added to the treatment schedule. A drone was used to apply herbicide to control hornwort, which is now down to ~1% of its original extent in Lakes Tutaki, Tutaki Southern Pond, Karaka, Mt Camel North, and Mt Camel South Outlet. Lake Egg remained free of hornwort after being treated two years ago. Egeria biomass was further reduced in Rotokawau (Poutō) with an estimated 35kg of weed removed by divers.

Pines were felled on the margins of Rototuna on the Poutō Peninsula by Nga Manga Atawhai (Te Roroa) with the support of Te Uri O Hau and their cultural advisor and weeds were controlled to prepare for restoration plantings.

During annual lake monitoring staff supported Te Aupōuri's wānanga at Wahakari in February with lakeside education and a chance to hear about their lake from NIWA divers. Tamariki learnt about native fish, lake plants, pest animals, lake monitoring and environmental career pathways.

A tiny Northland endemic lake plant – *Trithuria inconspicua* – was voted NZ's Favourite Plant in 2024 by the public through a national campaign by the NZ Plant Conservation Network. The plant is found in just five of Northland dune lakes and is and considered a living fossil and classified as Threatened – Nationally Critical. Council undertakes monitoring, protection and restoration actions in the lakes where the plant occurs.

Biosecurity

Community led pest control

The Biosecurity Partnerships team supports community-led pest control through programmes like Biofund and Community Pest Control Areas (CPCA). Despite increased promotion, fewer Biofunds were awarded in 2024/25, though long-term engagement remains strong. CPCA expanded with four new projects, including two hapū-led initiatives securing extra funding.

Council's collaboration with Kiwi Coast continues to drive pest eradication, with 966,000+ species removed since 2013 and conservation efforts spanning 276,000ha.

Tiakina Whangārei strengthened urban conservation, distributing pest control devices, launching new trapping groups, funding operations, and providing hands-on training.

Exotic caulerpa response and marine pest management

Mechanical control operations

Council led a globally significant marine biosecurity initiative targeting the invasive seaweed exotic Caulerpa.

Phase II suction dredging in Ōmakiwi Cove treated 22,295m^2 of seafloor, the largest mechanical marine pest control operation internationally. Phase I treated 2,000m^2 but faced spoil handling challenges.

Council, in collaboration with Johnson Bros Ltd, Seaworks, NIWA, Ministry for Primary Industries (MPI), Cawthron, and local hapū secured $6.2M in MPI funding to develop a Submersible Dredge Planner (SDP) to improve single-pass removal efficiency.

Surveillance and detection

Over 100km of seafloor was surveyed by council's dive teams and contractors, focusing on high-use anchorages and public reports. Despite efforts, exotic Caulerpa spread beyond Controlled Area Notice (CAN) boundaries, likely due to anchoring and natural dispersal. In May 2025, council and NIWA deployed a Boxfish™ ROV with AI-enabled detection across seven high-risk areas from Whangārei to Rangaunu. The system provided real-time, georeferenced detection of exotic Caulerpa, supporting future response planning.

Public awareness and engagement

A summer media campaign (Dec 2024–Feb 2025) reached 1M+ digital impressions, with 85,800 ad plays across 12 marine venues. The campaign generated 4603 ad clicks and 4492 website sessions, with strong engagement via Meta platforms. Messaging focused on CAN boundaries and encouraged public reporting.

On-water engagement

Wai Knot ambassadors conducted 183 vessel surveys, engaging 380 individuals of which 42% were Northland locals, 36% were from other NZ regions, and 22% were international visitors. Most participants were aware of exotic Caulerpa and CAN rules, with discussions often covering ecological impacts and rāhui.

Land-based outreach

The Conquer Caulerpa Charitable Trust (CCCT) reached 1500+ people through school visits, hui, and events. Highlights included participation in the Ocean Film Festival (Kerikeri), school outreach, and the 2025 Ahuwhenua Farm Day at a Ngātiwai marae. Ramp-based engagement focused on Opua, Te Uenga, and Kororāreka.

Hull surveillance

Council's annual hull surveillance programme resumed in December 2024, targeting 2000 vessels (approx. half of Northland's recreational fleet). The target was exceeded this year with 2300 vessels surveyed. Among anchored vessels – used as a proxy for higher-risk activity – over 80% complied with council's biofouling rules.

Incursion responses

More than 340 Mediterranean fanworms (Sabella spallanzanii) were removed from Mangawhai Estuary during an eight-day operation and in Onepoto Bay, 1.1t of invasive Japanese kelp (Undaria pinnatifida) was removed (Sept–Oct 2024). Follow-up surveillance dives are planned to confirm eradication and prevent regrowth.

Predator Free 2050 – Possum Free Whangārei Heads

Now in its fourth year, the Possum-Free Whangārei Heads project is making major strides toward eradication. An additional 1000ha has entered the final detect-and-response phase, with full mop-up across the remaining 2961ha targeted for completion by June 2026. A key milestone was the establishment of a defensive barrier (a virtual barrier made up of a concentrated network of new technology devices) between Parua Bay and the upper Pataua River.

Work has expanded into the Kauri Mountain Reserve, a known possum hotspot, with strong support from local hapū. This effort is critical to preventing reinvasion into previously cleared areas like Manaia and Te Whara.

Community backing remains strong, with more than 94% of landowners supporting the initiative. Eight community groups are actively involved in maintaining traps and cameras in elimination zones. Mana whenua engagement has deepened, with Pataua South uri leading elimination work across 175ha of Māori and general title land. Two hapū kaimahi are also training to lead future predator control projects.

The project team has built strong relationships with local schools and kindergartens and continues to collaborate with conservation groups including Kiwi Coast, Kiwi Link, and Bream Heads Conservation Trust.

Innovative technology is playing a key role. The AT520AI trap uses AI to target possums specifically, while the Envico Spitfire delivers a possum-specific toxin with minimal servicing – both reducing labour and protecting non-target species.

Nationally, the Predator Free Trust is amplifying advocacy and funding efforts, with Whangārei Heads wildlife featured in promotional campaigns.

Predator Free 2050 – Pēwhairangi Whānui (Bay of Islands)

The Predator Free 2050 programme in the Bay of Islands continues to make strong progress across the Russell, Purerua-Mataroa, and Rakaumangamanga peninsulas. Currently, 5745ha are in the final stages of elimination, with 13,555ha under active management and on track to reach elimination status by the end of 2026.

In Russell, community support remains high. Public donations enabled expansion into Tikitikioure bush (711ha), while Tapeka (225ha) and Russell township (115ha) show near-zero pest levels. The Old Russell peninsula (808ha) is also nearing possum elimination.

On the Purerua-Mataroa peninsula, Kiwi Coast Trust has maintained near-zero possum numbers across 4595ha, aided by AI-enabled AT520 traps and real-time camera alerts for feral cats. Ngāti Rēhia has fully deployed devices across 485ha of whenua Māori, strengthening buffer zone suppression.

The Rakaumangamanga project, led by Te Rawhiti 3B2 Ahu Whēnua on behalf of Ngāti Kuta and Patukeha, has achieved knockdown across 2200ha. Elimination efforts will focus on 1100ha, with the remainder supported by Ngā Whenua Rāhui funding. Two new trapper huts have been installed to support extended fieldwork.

This integrated, community-led approach, backed by advanced technology and strong iwi partnerships, is driving real progress toward a predator-free Bay of Islands.

Rāhui Tapu / Marine Protected Areas

Eighteen months into the implementation of the Rāhui Tapu / Marine Protection Rules, council continues to work closely with hapū to safeguard marine ecosystems. Guided by the Taiki ē Te Tiriti Strategy, the initiative is structured around three key workstreams: Communication and public engagement, compliance monitoring, and ecological monitoring.

A robust communications plan launched in August 2024 has driven public awareness through diverse channels – magazines, radio, social media, signage, and school programmes. Highlights include the Enviroschools "Healthy Marine Environments" initiative and targeted outreach at Oke Bay and local kura.

To support enforcement, council recruited eight locally based, hapū-connected RMA warranted officers in October 2024. These officers, alongside vessels sourced through hapū-preferred suppliers and agency partnerships, maintained a strong on-water presence through summer and public holidays. While the focus has been on education, enforcement has begun with 422 vessels approached, resulting in one infringement notice, one abatement notice, and 24 direction notices issued.

Baseline ecological surveys are underway, focusing on key species like tāmure (snapper) and kōura (crayfish). These are being conducted with marine scientists and hapū kaitiaki. Council is also supporting hapū-led kina management and developing a geospatial database to guide long-term ecological monitoring.

This collaborative approach blends science, regulation, and cultural stewardship, laying a strong foundation for the future of marine protection in Northland.

Pest incursions and response

Northland's biosecurity efforts have made significant strides in 2024/2025, particularly under the Wild Deer Free Te Taitokerau programme. Since April 2024, 62 sika deer have been removed from Russell State Forest using a combination of thermal-assisted aerial shooting and drone-supported ground crews. With only a few deer remaining, DNA tracking is guiding the final push toward eradication.

The programme has expanded to Kai Iwi Lakes and five additional Northland sites, deploying Thermal Aerial Detection Systems (TADS). A new Communications and Engagement Advisor is enhancing stakeholder collaboration, especially with hapū and iwi.

Feral goat control has seen success near deer project sites, responding to increased community requests. Feral pig trapping has also yielded positive results.

In freshwater ecosystems, pestfish surveillance and eradication efforts have intensified. Key operations include 147 koi carp removed from Pahi Farm Dam, new rudd population confirmed at Mangapai Dam, rudd and goldfish detected at Lake Parawanui via eDNA, and koi carp confirmed in Whakanekeneke River.

Collaborative planning with DOC and iwi is also underway for rotenone treatments at high-risk sites aimed at eradicating pest fish. Sustained control at Lake Rototuna has led to a pest-free status after four years of monitoring.

Partnerships with iwi such as Te Uri o Hau, Ngai Takoto, Ngati Kuri, and Te Roroa have been central, with joint training and ecological monitoring. Technological advancements include a Pestfish Field App, GIS integration, and a shared ArcViewer map with DOC, aligning efforts with the Regional Pest Management Plan. These integrated, community-driven strategies are delivering tangible outcomes in protecting Northland's biodiversity.

Other incursion species

Northland's biosecurity vigilance extended to a range of potential pest incursions this year, with a strong focus on early detection, community engagement, and inter-agency collaboration.

Wallabies

Nine exotic wallaby sightings were reported, but none were confirmed. Investigations using trail cameras, detection dogs, and thermal drones at six sites, including Matawaia and Waipapa, yielded no evidence. One case was confirmed as dog scat through DNA testing.

Exotic birds and lizards

Three sightings of exotic Indian ring-necked parakeets were investigated. Two were isolated incidents, while a flock of six in Kaiwaka prompted a site visit and leaflet drop to confirm nesting activity for future control.

Red-eared slider turtles

Three turtles were captured in a private Kerikeri lake using basking traps. Research into effective capture methods is ongoing.

Freshwater gold clam and Check, Clean, Dry

A key operational priority was actively preventing the introduction and spread of the invasive freshwater gold clam into Northland. A biosecurity checkpoint at Kai Iwi Lakes (Dec 2024–Feb 2025) involved iwi, council, and community partners. A total of 826 surveys were completed, down from 1190 in 2023–24, reflecting fewer visitor numbers and watercraft users. Visitor data confirmed travel links between Northland and Waikato, reinforcing the risk of potential pest transfer.

Surveillance using eDNA was conducted across nine lakes, with iwi-led post-summer monitoring in the Far North. Community outreach at events like Waitangi Day and Northland Field Days boosted awareness.

Regulatory efforts included a request to close the Lake Taharoa boat ramp and a formal request has been sent to MPI seeking a Controlled Area Notice to restrict motorised watercraft.

These efforts reflect a proactive, collaborative approach to protecting Northland's ecosystems from emerging pest threats.

Kauri protection

The 2024/25 achievements of the Kauri Protection Programme were made possible through the support from a $200k funding grant from MPI.

This investment combined with council funding has enabled the development of a custom-designed Kauri Engagement Trailer – a mobile hub for education, training, and awareness – through a strategic partnership between DOC, MPI, council, and Kauri Ora, an entity formed to deliver iwi and hapū led kauri protection. Field operations have also advanced significantly with the use of specialised contractors. A regional contractor "Biosense Ltd" completed 1510 kauri health surveys across 29 properties, while Kauriology Ltd collected 64 soil samples, identifying Phytophthora agathidicida at Marunui Conservation and prompting updates to management plans. Biosense also treated 594 kauri trees with phosphite and completed six management plans. Meanwhile, Biospatial Ltd refined its deep learning model to map kauri distribution using 2023 imagery, with a full dataset expected by June 30.

Over 200m of fencing has been completed, along with 400m of boardwalks and upgraded trails to protect kauri. In addition, the team has installed 13 hygiene stations and staff have attended 10 public events including school visits promoting awareness and education.

These outcomes demonstrate the tangible impact of the funding in strengthening kauri protection and biosecurity efforts across Northland.

Pest plant management

Low-incidence pest plant programmes

Following the discovery of sea surge (*Euphorbia paralias*) at two sites in Northland last year, surveillance along the west coast was a major focus for 2024/2025. With funding secured from MPI, staff collaborated with local volunteers and iwi and hapū teams to survey over 175km of coastline, install signage and distribute flyers to beach goers. Five new locations (comprising 20 smaller sites) were identified, including the first site on the northern coastline, at Kapowairua, Spirits Bay, in June 2025.

Most sites found were small (1 to 20 plants) and could be controlled by hand, however two large sites, totalling over 200 adult plants and thousands of seedlings were found at Mitimiti. Staff worked with the local hapū group Te Akau Roa Kaitiaki to develop a plan and implement the initial agrichemical control, with all follow up control of seedlings able to be done manually by local hapū members. All sites were inspected every four months to ensure any new seedlings were controlled.

Local Taiao teams and hapū members from Ngāti Kuri, Te Aupōuri, and Te Rarawa iwi were trained and have been delivering the control and survey work. This locally delivered surveillance will be essential to manage the ongoing risk of new sites establishing from seed deposited on ocean currents from infestations on the Australian coast.

In our other low-incidence pest plants programmes, where council undertakes search and control work for Exclusion, Eradication and Progressive Containment species, staff and contractors undertook more than 1000 survey and control inspections across 30 different species programmes. This included the delivery of the MPIs' Manchurian Wild Rice National Interest Pest Response programme in Northland. As part of the surveillance and delimiting work for these programmes over 350ha of bush and over 1220ha of estuarine saltmarsh were searched. Drones were utilised to survey another 630ha to effectively identify and delimit sites in the spartina and royal fern programmes.

Sustained control programmes and rule enforcement

Inspections were carried out at all known nurseries and plant retail outlets for nationally and regionally banned pest species, and a quarter of all commercial quarries were inspected for compliance with pest plant rules. Staff also undertook 17 enforcements for compliance with species specific sustained control rules.

Councillors and staff met with the Minister for Biosecurity to raise the issue of Madagascar ragwort (*Senecio madagascariensis*) and have been pursuing the establishment of a working group, in line with the Minister's

view that the response should be a multi-agency response, co-led with industry. Key industry stakeholders have now agreed to cost share the development of an action plan that will evaluate the options and resources required for each. Through an Envirolink grant, AgResearch was commissioned to undertake a review of the current control methods for Madagascar ragwort and control research needs and opportunities, and this report will be used to inform the action plan.

Council also continued to work with MPI delivering the National Wilding Conifer programme in Northland. Reduced funding for the programme has shifted the focus to completing the removal of seed sources and planned maintenance at existing management sites. Over 16,000 wildings were removed under the programme this year.

Education and community support and engagement

Eight public Weed Workshops were held around the region, with 146 people attending. Ten further workshops were held for specific groups, including Northtec students, community groups, primary and secondary schools, Far North City Care and the New Zealand Plant Conservation Network conference, engaging a further 178 participants. Staff also supported the Biofund and CPCA programmes and the pest plant groups working under the High Value Area programmes; these High Value Area projects contributed over 11,500 volunteer hours on pest plant focused initiatives.

Planning and policy

Regional Plan for Northland

On 25 March, council resolved to make the Regional Plan operative, and a copy was forwarded to the Minister of Conservation for final approval. The Minister is yet to respond.

Te Oneroa-a-Tōhe proposed plan change

This proposed plan change to the regional plan has been in development identifying sites of significance, and field visits with iwi representatives to identify and map these have been undertaken. Initial workshops with Te Oneroa-aTōhe Board on content of the draft proposed plan change has also been undertaken. Draft provisions and section 32 report are in development.

Freshwater Plan Change

This was paused due to changes in central government direction. However, collaborative work continued with the Tāngata Whenua Water Advisory Group and the Primary Sector Liaison Group to identify options for managing stock exclusion, with support from internal scientists and economists. Two field days on farms were undertaken to test options and progress reported to the Natural Resources Working Party.

Central government bills and changes

Twelve submissions were lodged on central government proposals to ensure issues for Northland are recognised in changes to/new legislation and national policy direction.

Input into district council planning processes

Review of district plan changes and resource consents to ensure resource management direction in the Regional Policy Statement is appropriately implemented in district plans has been on-going.

Submissions were lodged on the proposed Kaipara District Plan in June, evidence was presented in December at the Far North District Council Proposed Plan hearings, and the appeal process is ongoing regarding the provisions in Whangarei District Council's Natural Hazards: Plan Change 1.

Catchment business cases

Council partnered with Ngāti Hine to develop a business case for improving the state of freshwater and coastal receiving waters of the Taumarere Catchment. This will be finalised in July and presented to council in August 2025.

Review of the Regional Pest Management and Marine Pathways Plans

The Policy and Planning team has been leading the review of the Regional Pest Management and Marine Pathway Plan. The review has included the development of a list of candidate species for inclusion in the next plan, a round of public and industry engagement to consult on the review, and numerous working party meetings and workshops to help steer the development. A cost-benefit analysis is being prepared concurrently with new rules and management methods to develop a proposed plan.

Navigation Safety Bylaw Review

The Policy and Planning team is also reviewing the Navigation Safety Bylaw in conjunction with the Maritime team. First round of consultation was held in May, with a second round in June/July 2025.

Wetland mapping tool

New layer sets have been created in a joint council/Kaipara Moana Remediation Programme (KMR) project, for use with existing wetland maps, providing comprehensive regionwide maps. Engagement and advice from Te Ruarangi and the Māori Technical Advisory Group around the use of the maps was received. Council and KMR staff can now use the maps, via GIS viewers, to indicate potential wetland locations.

Plan implementation projects

A series of implementation projects have also been undertaken, including inanga spawning site rules and the development of an internal Biodiversity Strategy.

Freshwater Farm Plans

The government has been reviewing how Freshwater Farm Plans will operate, which has resulted in a delay to their implementation in Te Taitokerau. In the interim the development of Catchment Context, Challenges and Values (CCCV) documents around the region has continued. This has included working with iwi on how CCCVs describe the cultural significance of wai.

Review of the Dangerous Dams Policy

A review of council's Dangerous Dams Policy has been undertaken, and public consultation on changes will occur in the following year.

Consents

A total of 339 decisions on consent application were made during the financial year.

Many of these applications comprised multiple consent activities that were bundled together and processed as one "application". The breakdown of the number of activities that were included in the decisions made during the financial year is:

- Land use consents – 289
- Coastal permits – 133
- Discharge permits – 407
- Water permits – 199

A public hearing was required to make a decision on three applications. All three hearing decisions were subsequently appealed and only one of these appeals has been resolved.

Compliance monitoring

In addition to the compliance monitoring carried out and recorded in performance measures in this report, council also:

- Received 268 notifications under the National Environmental Standards – Commercial Forestry and carried out 187 site visits to check compliance
- Completed fish passage assessments on 454 instream structures across Te Taitokerau
- Received 46 Dam Classification Certificates under the new Dam Safety Regulations.

Council took the following enforcement actions in relation to non-compliance with resource consent conditions, regional rules or national regulations:

- 241 abatement notices
- 153 infringement notices
- Two enforcement orders applied for and granted by the court.

1.1 Science

Levels of service, measures and targets

1.1.1 Communities are able to access accurate information on the health of Northland's rivers, lakes, estuaries and harbours, and see improvements in the water's ability to support aquatic ecosystems, recreational activities and cultural values

1.1.2 Communities and agencies are provided with quality information on water quantity and water resources including rainfall, river flow, groundwater and flood levels

1.1.3 Healthy air quality is maintained and monitored, with the community made aware if standards aren't being met

Performance measure	Target	2024/25 result
Percentage of NRC environmental networks monitored for water quality and quantity, and ecology, with results and reports made openly accessible*	100%	100% – achieved All scheduled site visits for the year have occurred, with data displayed on council's website. 2023/24: 100% - achieved
Percentage of time that flood-level monitoring is accurate (to enable flood warnings to be developed) and is made openly accessible*	100%	100% – achieved All flood level monitoring for the year was accurate and made available. 2023/24: 100% - achieved
Percentage of time that continuous monitoring of air sheds is achieved, with any exceedances of National Environmental Standards reported and made openly accessible*	100%	100% – achieved There were no exceedances reported for the year. 2023/24: 100% - achieved

*openly accessible means available on NRCs website

1.2 Catchment management

Levels of service, measures and targets

1.2.1 Sustainable land and soil conservation management, including advice, funding support and education, is restoring the mauri of Northland's fresh water, wetlands and estuaries and giving effect to Te Mana me te Mauri o te Wai

Performance measure	Target	2024/25 result
Hectares of space planting on Highly Erodible Land supported by the supply of poplar/willow material and hectares of fencing carried out to support retirement of erosion-prone land, with a view to supporting the implementation of Te Mana me te Mauri o te Wai	60ha of space planting and 70ha of retirement fencing per year	69.8ha – achieved (planting) 129ha – achieved (fencing) Space planting involved the supply of 1630 poles and 26,740 wands (including in the Kaipara) over the year, while retirement fencing covered 129ha for the year. New measure
Percentage of freshwater management units where council is providing sustainable land management support* for action to restore the mauri of fresh water	100% of freshwater management units are receiving support	100% – achieved All 13 FMUs received financial support through grant funds administered by the Land Management team and one (Northern Wairoa) through substantial investment via the KMR programme (which NRC contributes to). Major engagement events form part of the support provided by council and the team attended 25 such events over the year. New measure

*support means contribution of staff and financial support via existing funds

1.3 Biodiversity

Levels of service, measures and targets

1.3.1 The indigenous biodiversity and ecosystems of Northland's forests, wetlands, lakes and coastal margins are maintained and enhanced, in line with Te Mana o te Taiao – Aotearoa NZ Biodiversity Strategy

Performance measure	Target	2024/25 result
Number of plants provided through CoastCare programme each year	15,000 or more	15,926 – achieved There were 7504 plants provided during Q1, and 8422 plants provided during Q4. No planting is undertaken over the summer months of Q2 and Q3. 2023/24: 14,672 - not achieved (target: 16,000)
Number of top-ranked lakes identified in the Northland Lakes Strategy that are under active management* with stock excluded	20 lakes	25 lakes – achieved Active management included ecological surveys at 15 lakes, annual weed surveillance at four lakes, pest plant control at four lakes, pine removal at one lake, fish surveys at five lakes, Trithuria survey at one lake, and fencing at one lake. Note that some lakes have multiple actions over the year. 2023/24: 20 lakes - achieved
Number of natural wetlands that are identified, and monitored for condition and improvement, in accordance with four-yearly wetland programme, and climate programme	15 per year, for a total of 60 over a four year period	32 – achieved All 32 wetlands identified in the existing monitoring programme are up to date with their monitoring. New measure
High value water bodies vulnerable to the effects of climate change are identified and monitored, and work continues to improve their resilience	100% of high value water bodies	100% – achieved All outstanding and high value water bodies have been monitored and work to improve their resilience continues, including ecological monitoring, pest plant removal, fencing, pest control and weed surveillance. New measure

*Active management includes basic care standards for lakes: nutrient management, ecological monitoring, submerged weed surveillance, and weed and pest control if necessary

1.4 Biosecurity

Levels of service, measures and targets

1.4.1 A tangible reduction in pests is achieved on land and in the marine environment, through engaged communities, landowners and mana whenua, as directed by the biosecurity operational plan

1.4.2 The introduction and spread of marine pests is slowed through inter-regional management

Performance measure	Target	2024/25 result
Percentage of KPI's contained within the biosecurity operational plan that are achieved to support implementation of the Regional Pest Management Plan and Marine Pathways Plan	90% of KPIs	96% – achieved Majority of KPI's within the biosecurity operational plan either have been or are on track to being achieved to support the implementation of the plan. New measure
Number of vessel hulls surveyed for marine pests each year as part of the marine biosecurity surveillance programme	At least 2000	2300 – achieved A commercial dive team was contracted to conduct hull surveillance diving from October to May this reporting year. 2023/24: 2049 hulls - achieved

1.5 Planning and policy

Levels of service, measures and targets

1.5.1 Northland's aspirations for sustainable land, freshwater and coastal management are being supported through quality planning processes with Te Mana me te Mauri o te Wai embedded in freshwater planning

Performance measure	Target	2024/25 result
Development and review of council's regional policy statement and regional plan, is compliant with legislative process requirements and timeframes	100% of the time	Not achieved Some direction in the National Policy Statement for Urban Development and the National Planning Standards have not been met. Both required council to make changes to the Regional Policy Statement (RPS), however the government has now confirmed that there is not a role for an RPS in the replacement regime. It is therefore not considered effective use of council and staff time or goods and services to modify the RPS, and this approach was confirmed by council at its February meeting. 2023/24: 100% - achieved
The principle of Te Mana me o te Mauri o te Wai is included in all stages of development of the freshwater plan change	Included in all stages of draft and proposed	Included – achieved The government has delayed the notification of new freshwater planning instruments, extending the deadline from 31 December 2024 to 31 December 2027. This delay is to allow time for the review and replacement of the National Policy Statement for Freshwater Management (NPS-FM) and to ensure regional councils can align their plans with the new national direction. In the interim, Te Mana me o te Mauri o te Wai has continued to be embedded in the on-going key workstreams being progressed with the Primary Sector Liaison Group and Tāngata Whenua Water Advisory Group in response to feedback on the Draft Plan Change. New measure

1.6 Consents

Levels of service, measures and targets

1.6.1 Efficient processing of resource consents that results in consistent implementation of regional plan rules across private and community developments

Performance measure	Target	2024/25 result
Percentage of all resource consent applications that are processed within the statutory timeframes	100% of applications	100% – achieved A total of 339 decisions were made during the financial year and all decisions were made within the required statutory timeframes. There were 124 consent applications (both single and bundled activities). 2023/24: 100% - achieved
The percentage of resource consent applications for the renewal of a discharge permit that council makes a decision on within four years of the lodged date	100%	100% – achieved All decisions made during the year were within the required timeframe. New measure

1.7 Compliance monitoring

Levels of service, measures and targets

1.7.1 Timely and effective compliance monitoring of resource consents, and response to reported environmental incidents

Performance measure	Target	2024/25 result
Percentage of consents that are monitored as per the council's consent monitoring programme	90% or more	93% – achieved Of the 5190 expected activities required to meet this target, 4826 were completed as per the consent monitoring programme. 2023/24: 95% - achieved
Percentage of environmental incidents reported to the Environmental Hotline resolved within 30 working days	80% or more	80% – achieved Of the 1213 incidents logged, 975 were resolved within 30 working days. 2023/24: 80% - achieved
Percentage of significant non-compliant graded events that have enforcement action taken	100%	98% – not achieved There were a total of 70 significant non-compliances for the year. One of these did not receive formal enforcement action, as the significant non-compliance was rectified before enforcement action was issued. New measure

Te Taiao | Natural Environment

Funding Impact Statement

For the period ending 30 June	Long Term Plan 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Sources of operating funding			
General rates, uniform annual general charges, and rates penalties	-	-	386
Targeted rates	23,835	29,627	29,391
Subsidies and grants for operating purposes	2,436	5,252	7,615
Fees and charges	3,067	2,759	3,704
Internal charges and overheads recovered	-	-	34
Local authorities fuel tax, fines, infringement fees and other receipts	9	-	114
TOTAL OPERATING FUNDING	**29,347**	**37,638**	**41,244**
Applications of operating funding			
Payments to staff and suppliers	26,898	34,296	36,007
Finance costs	42	60	23
Internal charges and overheads applied	9,438	10,805	11,795
Other operating funding applications	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING	**36,378**	**45,161**	**47,825**
Surplus/(deficit) of operating funding	**(7,031)**	**(7,523)**	**(6,581)**
Sources of capital funding			
Subsidies and grants for capital purposes	-	-	40
Increase/(decrease) in debt	-	564	-
Gross proceeds from sale of assets	-	-	(2)
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	**-**	**564**	**38**
Applications of capital funding			
Capital expenditure:			
to meet additional demand	-	-	-
to improve levels of service	474	316	311
to replace existing assets	336	201	431
Increase/(decrease) in reserves	(479)	(187)	(206)
Increase/(decrease) of investments	(7,362)	(7,289)	(7,079)
TOTAL APPLICATIONS OF CAPITAL FUNDING	**(7,031)**	**(6,959)**	**(6,543)**
Surplus/(deficit) of capital funding	**7,031**	**7,523**	**6,581**
FUNDING BALANCE	**-**	**-**	**-**

Te Taiao | Natural Environment

Major variances compared to Year 1 (2024/25) of the Amended Long Term Plan 2024-2034

Operating Funding

Major variances compared to Year 1 (2024/25) of the Amended Long Term Plan 2024-2034

Operational Funding

Operational Funding is $3.61million (m) higher than the amended Long Term Plan predominantly due to:

- Unplanned Caulerpa response funding,
- Higher than planned Kauri protection programme funding,
- Higher than planned Wild Deer programme funding,
- Lower than planned funding allocated to the Predator Free programmes,
- Higher than planned consent application,
- Higher than planned monitoring fee income,
- Higher than planned cost recoveries,
- Higher than planned compliance and enforcement income,
- Higher than planned interest earned on funding held.

Application of Operational Funding

Application of the operating funding is $2.66m higher than the Amended Long Term Plan predominantly due to:

- Higher than planned costs for Caulerpa and response programmes,
- Lower than planned costs for Kauri Protection programmes,
- Lower than planned costs for Biosecurity partnership programmes,
- Higher than planned costs for consent application activities,
- Higher than planned costs for monitoring activities,
- Higher than planned compliance and enforcement activities.

Te aumangeatanga hapori

Community resilience

Kia mate ururoa, kei mate wheke

Fight like a shark, not an octopus

Te Taitokerau is an incredible place to live, play and make a living, but it's vulnerable to the risks of flooding, drought and the growing effects of climate change. The region covers a significant area, on land and out on the water. Council is continually working to improve Northland's safety and resilience, and stay one step ahead of the next challenge we're likely to face.

Our community resilience group of activities pulls together different aspects of resilience. This mahi involves connecting our communities through public transport, keeping people safe on the water; identifying, assessing and providing information on natural hazards, in particular working to protect Northland communities from flood hazards; building climate resilience and emergency situations, and responding when we need to. All these activities rely heavily on collaboration with our communities, tāngata whenua, other agencies and landowners to achieve shared goals.

The community resilience group of activities relates to two of our community outcomes and progress on these is reported in the section "What we did", and via our levels of services and associated performance measures.

Community outcome: Carbon neutral, resilient communities in a changing climate

- Flood risk management
  This is required as a group of activities on its own under the Local Government Act, but is included here as part of the community resilience package. It has a separate funding impact statement at the end of this section.
- Climate action
- Emergency management

Community outcome: Safe and resilient transport networks

- Oil pollution response
- Harbour safety and navigation
- Transport

Changes to levels of service

In the community resilience group of activities, the levels of service within each activity remained the same as those in the Amended Long Term Plan 2024-2034. Performance measures have been well achieved, with 12 of 14 targets met. Of the two targets not met, both of these were due to circumstances outside of council's control as recorded in the following tables.

What we did

Flood risk management

Awanui Flood Scheme upgrade

The major components of this upgrade are now complete. Quarry Road bridge extension was completed in the 2024/2025 work season and is now open to the public. The first phase of stopbank setback downstream of State Highway 10 is now substantially complete. Remaining works include Donald Road bridge upgrade, and floodwalls near the division of the Awanui River and Lower Whangatane Spillway. The second phase of stopbank setback in Lower Whangatane is also outstanding.

Whangārei hydraulic flood model

The upgrading of the Whangārei hydraulic flood model and related maps, is almost complete, awaiting final release to public. This will update council's flood maps, which will include latest flood mitigation options. 95% complete.

Flood resilient Māori communities and marae

This work incorporates seven projects and is co-funded by National Infrastructure Funding and Financing (NIFF), being $4.2M. An additional $1.03M was received from NIFF in early 2025 allowing council to reduce this work from a three year programme to just one, bringing the total government funding to $5.24M (rounded). Co-funding of $1.53M is provided by council. Multiple teams across council are involved to help improve flood resilience to our Māori communities and marae.

The seven projects include:

1. Northland flood affected marae: using GIS mapping, council overlayed the 10-year flood maps with the marae locations. This identified 35 of the most flood affected marae: 1) marae in a 10-year flood zone, and 2) marae affected by 50- and 100-year floods to a greater extent. Affected marae were approached to develop a 'preparedness plan' and this work is now 95% complete. A number of marae were also subject to physical works ranging from flood doors to full-scale earthworks. 85% complete.
2. Matangirau flood mitigation phase 2: project is designed to provide flood mitigation to the houses and marae directly upstream of the Wainui Road bridge: 100% complete.
3. Kawakawa deflection bank: this is designed with a 1:50 year protection to the shops and businesses in the low-lying sections near Old Whangae Road. Minor riverbank works remaining. 95% complete.
4. Otiria-Moerewa overland flow paths and swale: this project is reinstating overland flow paths that have been blocked, allowing re-establishing natural flow regimes. Minor earthworks remaining. 75% complete.
5. Whirinaki: unfortunately, there are no achievable flood mitigation options for this community. Council is therefore facilitating the community to have the conversation around long-term managed retreat.
6. Kaeo phase 2: this project will give additional benefit to the Kaeo township by lowering the backwater effect created by the Kaeo River and Waikarae Creek confluence. Overall 60% complete (85% design and consent, 5% procurement and construction).
7. Punuruku: This project is largely complete, barring some minor drainage works. 98% complete.

Kerikeri/Waipapa flood scheme

Initial catchment-wide LiDAR mapping is now 100% complete, and the deliverables are currently with our modellers for incorporation into the next phase of the flood model. Anticipated delivery date for the model outputs at this stage is mid-September 2025.

Dargaville flood model

Staff contracted a model for the Wairoa River to better understand the complex dynamics of fluvial (river) flooding and storm surge from the Kaipara Harbour. Part of this project has been the updating of flood hazard maps for the Wairoa and its tributaries. Staff are working with Kaipara District Council to ground truth and socialise the changes to the hazard maps so that the community is aware of the updates.

Climate action

Our work on climate action is outlined in section one of this report titled 'Climate action'.

Emergency management

Projects

The tsunami siren replacement project continues to progress, with 89 of the 94 new sirens installed across Northland as of July. The project is a joint initiative by all four of Northland's councils, with the Northland Civil Defence Emergency Management (CDEM) group coordinating the project. Once complete, the new sirens, along with our other warning tools, will help provide more resilient and effective warnings to Northlanders for tsunami threats.

Development of the Multi-Agency Emergency Coordination Centre (MACC) for Northland also continues. The Northland Regional Council-Fire and Emergency NZ (FENZ) MACC Heads of Agreement has been signed by council and FENZ and the council-FENZ MACC Development Agreement (binding) is in final form to be executed in July 2025. FENZ, council and WDC have completed their work on the concept design, ready for the Request for Quotation (RFQ) for Architect and Design Team (engineers, etc). The RFQ has been drafted and will also be processed in July 2025.

Developed and detailed design will progress once consultants are fully engaged. Consenting applications will be issued during the developed design stage.

Reduction

Over the past 14 months CDEM has supported the Rivers team flood resilient Māori communities and marae project. During this period, collectively the team has significantly strengthened relationships and enhanced resilience within Māori communities through collaborative, kaupapa-driven initiatives.

A central focus for CDEM was emergency and preparedness planning with 35 marae, which successfully expanded to engage 47 marae across Te Taitokerau.

Key achievements include:

- Engaged with 47 marae, surpassing the original target
- Facilitated 103 hui, meetings, and workshops, directly connecting with over 217 whānau
- Dedicated personal time and extensive travel to foster genuine, lasting relationships with marae and communities
- Developed 17 Marae Preparedness Plans (completed or pending approval), with 13 currently in progress and 7 in the workshop phase
- Provided support for tsunami siren upgrades, national and regional hui, and responded to increasing interest from iwi and Māori organisations in emergency readiness
- Contributed to six major flood mitigation projects through the Rivers team.

Response

CDEM professionals monitored, supported and responded to several events over the year:

- On Sunday, 26 January 2025, the Kaipara District Council activated its Emergency Operations Centre (EOC) to support the response to the Mangawhai tornado. The EOC response was well supported by agencies including the Red Cross Disaster Welfare and Support Team, New Zealand Response Team, Task Force Kiwi, Auckland Emergency Management, Auckland City Council and Northland CDEM
- On Tuesday, 25 February 2025, a fire occurred in the Waipoua Forest, burning over 90ha of vegetation. Twenty homes were evacuated, and Te Roroa Iwi supported the evacuated residents at Waikarā Marae. Te Roroa led the recovery and clean-up work
- On 16 April 2025, Ex-Tropical Cyclone Tam approached Northland, prompting weather warnings and readiness assessments. Although the system passed quickly, it caused power outages for over 24,000 homes and businesses. Power companies worked under challenging conditions to restore services, but around 25 homes remained without power for more than five days
- In July, an Emergency Management Specialist was deployed to the Nelson Tasman region in response to a series of severe weather events, where she provided critical support in the welfare coordination space.

Readiness

Community response plans and engaging with community groups remain a focus. Over the past year, the team has supported requests for new Community Response Groups and community response plan reviews. Iwi and hapū throughout Te Taitokerau have been working alongside CDEM groups, enhancing connections and developing hapū-led initiatives. Partnering with marae to develop preparedness plans remains a focus, with 37 marae preparedness plans completed, or currently in development.

Recovery

Recovery efforts following Cyclone Gabrielle concluded in late 2024. Northland CDEM is better positioned to support future recovery initiatives, and work is ongoing to further refine the shared responsibilities for resourcing a Recovery Office. Continued collaboration will help clarify the roles and operational responsibilities of key stakeholders involved in recovery efforts. The Ngā Manga Atawhai project concluded on 30 June 2025. The Memorandum of Understanding was formally rescinded, and the project was handed over to Te Roroa. CDEM recently supported the Biosecurity team to secure Ministry for the Environment funding for emergency waste clean-up because of Ex-Tropical Cyclone Tam.

Harbour safety and navigation

There were 147 incidents logged this year, a drop from last year's 176. This was the usual mix of bylaw offences such as speeding, accidents, aids to navigation, moorings, and small oil spills.

Work continued in improving navigation safety outcomes for remote areas with the setting up of more lifejacket hubs for those less likely to have easy access to safety equipment. These were established in conjunction with wananga designed to educate locals for better compliance with regulations and the aim of harm prevention in these communities. The community grant funding available for these initiatives in the coming years will carry on but with yet unknown new parameters for application.

Maritime patrols were carried out in the major holiday destinations over the busy summer season. The new initiative of having Iwi honorary enforcement officers to assist with better collaboration with iwi and hapū has also commenced, with four officers this year and four more a year for the next two years.

Navigational Safety Bylaw review and consultation is underway in 2025.

Scheduled Aids to Navigation six yearly maintenance and repairs are underway in the Bay of Islands and Kerikeri Inlet. Reactive maintenance is ongoing as required. A major upgrade of the Tutukaka entrance leads was completed, improving the visibility of the lights and beacons.

Of the 3000 moorings the team manage, 181 transfers of ownership took place, and 38 mooring applications processed. Within the three-year requirement, 95% were serviced on time.

In addition to its core work, the Maritime team competed 101 vessel trips for other departments within council.

Abandoned and derelict boats are a continuing growing problem, with some larger vessels a particular concern and risk. Seven vessels were removed and destroyed. Cruise ship numbers were slightly reduced this season, with 70 visitors. The new pilot vessel performed well apart from a glazing issue with a UV reflector that unfortunately also reflected light, making nighttime pilotage a problem. The glass was replaced under warranty. The silicon antifoul also performed well with a clean hull providing improved speed and fuel consumption. As a specialist designed oil spill response vessel it has also been contracted for testing of the larger Maritime NZ response equipment used for national level spills.

Transport

Regional Land Transport Plan 2021-2027 (RLTP) - Three Year Review

On 4 July 2024, the Regional Transport Committee (RTC) approved the release of the RLTP to the council with a recommendation that it approves the submission of the RLTP Three Year Review to the New Zealand Transport Agency Waka Kotahi (NZTA) by 1 August 2024. Council formally approved the recommendation on 23 July 2024.

At each meeting, the RTC reviews the progress of the approved funding assistance uptake for each road controlling authority.

Northland Regional Council Transport Procurement Strategy

In accordance with requirements of the Land Transport Management Act 2003 and NZTA funding assistance policies, council approved the Transport Procurement Strategy on 27 May 2025. NZTA had assisted in the compilation of the document and had endorsed the draft copy to go to council for final approval.

Regional Public Transport Plan 2024-2034 (RPTP)

The RPTP must be reviewed and where applicable be amended following the release of a regional land transport plan. The draft RPTP is well advanced and is presently awaiting feedback from NZTA which is reviewing it. On completion of the consultation period, the amended draft will be provided to the RTC with a recommendation that on their approval the completed document be submitted to council with a recommendation the final RPTP be released.

General fares increase

In accordance with the requirements of the Government Policy Statement on Land Transport 2024 that stipulates all approved authorities managing subsidised bus services are to increase the Private Share Revenue component of their funding sources, council, along with all other regional councils, will be increasing bus fares from 1 August 2025. Fares on the CityLink and SchoolLink services will increase by $1.00 per trip and other Link services fares will increase by $0.50c per trip.

Bus services

CityLink and SchoolLink Services

There has again been a slight increase in passengers carried when compared to previous years which is encouraging.

Hikurangi Link Service

Passenger numbers have remained low throughout the quarter. Council will be introducing SuperGold Card on this service to increase passenger numbers. Should patronage remain low, a reduction in service will be considered.

Far North Link/Mid North Link/Hokianga Link

These services continue to operate a "lifeline" service to those who have no other means of transport. The introduction of the SuperGold Card on these services continues to provide for slow but steady passenger growth.

Bream Bay Link

This service continues to do well. Unfortunately, the planned increase in routes and services has had to be postponed due to the reduction in national and local share funding assistance

Total Mobility Scheme (TM) Whangārei

This year there were 1955 more trips than the previous year due to the continuation of the government introduced 75% discount and the relaxed eligibility criteria. The TM in Whangārei continues to rise in both client numbers and trips undertaken.

A national review into the future of the TM Scheme, including eligibility and funding being undertaken by the Ministry of Transport, has stalled due to a rewrite of the Terms of Reference.

Total Mobility Scheme Far North

There are currently 413 clients registered to the scheme in the Far North. The service started in Kerikeri and has since extended to Kaikohe, Kawakawa, Paihia, and Mangōnui. There will be a focus in 2025 on growing the scheme in Kaitaia.

Regional road safety

Regional road safety is now undertaken by Whangarei District Council on behalf of the region.

2.1 Flood risk management

Levels of service, measures and targets

2.1.1 The safety of people and property continues to improve with Northland Regional Council leading actions under the flood adaptation work programme across its policy and planning, flood protection, Civil Defence Emergency Management (CDEM), Regional Land Transport Planning, catchment management, and adaptation activities

Performance measure	Target	2024/25 result
Number of flood events occurring as a result of failures of flood protection systems below specified design levels for the Awanui, Whangārei, Kāeo, Panguru and Otiria/Moerewa schemes	Zero	Zero – achieved Northland did not experience flood events during the year that exceeded design standards. 2023/24: Zero - achieved
Percentage of actions implemented to reduce flood risk across the region, particularly in the most vulnerable communities, as set out in the flood adaptation work programme	100% of actions implemented as per the flood adaptation work programme	100% – achieved The flood adaption work programme identified 35 of the most flood prone marae in Northland, all of which have been visited during the year. Where flood mitigation work has been identified, the team has modelled and developed plans and implemented flood mitigation measures. New measure

2.2 Climate action

Levels of service, measures and targets

2.2.1 Northland is more resilient to the effects of climate change, with Northland Regional Council leading promotion, collaboration and coordination of resilience-building and carbon reduction initiatives to deliver climate resilient development region-wide

Performance measure	Target	2024/25 result
Number of outputs progressed in line with the monitoring, evaluation and reporting (MER) framework, across each of the seven climate programme work packages that support the Nga Taumata o Te Moana and Te Taitokerau Climate Adaptation Strategy	100%	100% – achieved The governance review is now complete, and six recommendations are proposed for the next two years. All scheduled public engagement events for the financial year have been delivered. New measure
Reduction in organisational emissions, in line with agreed targets in the Emissions Reduction Plan	50% reduction in GHG emissions by 2030, 90% reduction and net zero by 2050	On track to being achieved The 2023/24 financial year emissions inventory has been complete, and council are currently on track to meet the target. This includes having an external provider (Toitū Envirocare) prepare a statement and verification of this in accordance with ISO 14064-1:2018. This was complete on 14 May 2025. New measure
Percentage of council's Climate Resilience Fund allocated to Northland's most vulnerable communities in accordance with funding criteria	100% of allocations	100% – achieved The Climate Resilience Fund was allocated in its entirety during the financial year. New measure

2.3 Emergency management

Levels of service, measures and targets

2.3.1 Communities are well informed and supported to understand, plan for and respond to risks and emergencies as they arise

Performance measure	Target	2024/25 result
Number of up-to-date community response plans and marae preparedness plans in place across the region	Maintain or increase (from baseline)	63 plans – achieved/ baseline established New measure
Number of objectives outlined in the Northland CDEM Group plan work programme, across Māori engagement, reduction, readiness, response and recovery, that are progressed and reported on quarterly	100% of objectives outlined in the plan are progressed	100% – achieved All objectives outlined in the plan have been successfully achieved, with several new initiatives launched to further enhance outcomes. Progress against established targets was monitored and reported quarterly to the Coordinating Executive Group (CEG) and Civil Defence Emergency Management (CDEM) Group. New measure

2.4 Oil pollution response

Levels of service, measures and targets

2.4.1 The risk to Northland's coastline from oil spills is significantly reduced by an efficient oil pollution response system

Performance measure	Target	2024/25 result
A regional oil spill response plan is maintained, including a minimum of up to 30 up-to-date trained responders	Minimum of 30 responders 100% of the time	Average of 29 responders – not achieved While there are currently 30 trained responders, quarterly reporting has shown less than 30, therefore this measure has not been achieved (given the target of "100% of the time"). However, a review by Maritime NZ recommended 20 responders now that the refinery has closed. While the plan is to update the number of responders to 20, this will take time as it must go through Maritime NZ processes. This result is considered outside of council's control as responders had to wait for training course allocation. 2023/24: 33 responders - achieved

2.5 Harbour safety and navigation

Levels of service, measures and targets

2.5.1 Navigation on Northland's waters is safe and sustainable with well-managed systems

Performance measure	Target	2024/25 result
Percentage of time that marine activities are safely managed, with operational Harbour Safety Management Systems that comply with the national Port and Harbour Marine Safety Code	100% of the time	95% – not achieved Code review is booked for July, therefore while staff expect 100% compliance by August 2025, this is not within the 2024/25 reporting period and does not meet the target "100% of the time". This result is considered outside of council's control. 2023/24: 90% - not achieved
For every replacement vessel a rigorous assessment process is undertaken to demonstrate suitability for electrification	100% of the time	100% – achieved No replacement vessels were considered and therefore no assessment for electrification was necessary. However, this remains under active consideration. New measure

2.6 Transport

Levels of service, measures and targets

2.6.1 Northland communities are supported by resilient and sustainable transport networks, and can travel safely with as little impact on the environment as possible

Performance measure	Target	2024/25 result
Percentage of passengers surveyed on the Whangārei, Kaitaia and Mid-North bus services every two years that are satisfied with the overall service provided	90%	99% – achieved The Passenger Satisfaction Survey, conducted by a neutral 3rd party across all contracted Link Bus Services, showed that 99% of passengers interviewed rated the services satisfactory to extremely satisfactory. 2023/24: no information available
Delivery of major infrastructure projects set out in the Regional Land Transport Plan is monitored with any progress issues reported to the Regional Transport Committee quarterly	Quarterly reporting on progress	100% – achieved Quarterly reports on national funding uptake, land transport progress, NZTA pothole repairs, site management, and district council infrastructure are presented at each Regional Transport Committee meeting. New measure
Council's vehicle fleet continues to de-carbonise in accordance with Emissions Reduction Plan targets, with an electric alternative considered for every vehicle replacement	100% of the time	100% – achieved Pricing for the new hybrid utes has been obtained and orders placed, however delivery dates are yet unknown. New measure
The bus fleet is electrified in line with national ERP targets and council's ERP targets	Y1 – Feasibility study Y3 – Secure budget required via LTP	100% – achieved A review of all passenger transport contract documents has begun to ensure consistency across tenders. EV implementation will be included in the upcoming Request for Tender. Staff have engaged with Auckland Transport, operators, and other councils to assess the feasibility of introducing electric buses to the CityLink service from 1 July 2027. New measure

River Management

Funding Impact Statement

For the period ending 30 June	Long Term Plan 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Sources of operating funding			
General rates, uniform annual general charges, and rates penalties	-	-	59
Targeted rates	4,714	4,765	4,747
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	4	-	52
Local authorities fuel tax, fines, infringement fees and other receipts	122	69	54
TOTAL OPERATING FUNDING	**4,840**	**4,834**	**4,912**
Applications of operating funding			
Payments to staff and suppliers	1,683	1,326	3,869
Finance costs	501	614	736
Internal charges and overheads applied	597	594	518
Other operating funding applications	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING	**2,781**	**2,534**	**5,123**
Surplus/(deficit) of operating funding	**2,059**	**2,300**	**(211)**
Sources of capital funding			
Subsidies and grants for capital purposes	-	4,635	3,636
Increase/(decrease) in debt	-	1,495	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	**-**	**6,130**	**3,636**
Applications of capital funding			
Capital expenditure:			
to meet additional demand	-	-	-
to improve levels of service	4	5,730	4,016
to replace existing assets	-	-	687
Increase/(decrease) in reserves	1,068	5,795	2,610
Increase/(decrease) of investments	988	(3,095)	(3,888)
TOTAL APPLICATIONS OF CAPITAL FUNDING	**2,059**	**8,430**	**3,425**
Surplus/(deficit) of capital funding	**(2,059)**	**(2,300)**	**211**
FUNDING BALANCE	**-**	**-**	**-**

River Management
Major variances compared to Year 1 (2024/25) of the Amended Long Term Plan 2024-2034

Operating Funding

Operating funding is $78 thousand (k) higher than the Amended Long Term Plan predominantly due to:

» Higher than planned rates revenue.

Application of Operational Funding

Application of the operating funding is $2.59 million (m) higher than the Amended Long Term Plan predominantly due to:

» Higher than planned costs for river works programmes,

» Higher than planned flood mitigation programmes.

Sources of Capital Funding

Sources of capital funding is $2.49m lower than the amended Long Term Plan predominantly due to:

» Lower than planned funding for the rivers programmes,

» Lower than planned borrowing for flood infrastructure programmes.

Application of Capital Funding

Application of Capital Funding is $5.0m lower than the Amended Long Term Plan predominantly due to:

» Reserve funding increasing less than expected due to higher operational spending during the year and the deferral in drawing the planned additional debt.

Te aumangeatanga hapori | Community Resilience

Funding Impact Statement

For the period ending 30 June	Long Term Plan 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Sources of operating funding			
General rates, uniform annual general charges, and rates penalties	-	-	107
Targeted rates	8,728	9,115	9,105
Subsidies and grants for operating purposes	5,102	7,689	6,468
Fees and charges	1,727	2,950	2,891
Internal charges and overheads recovered	-	-	183
Local authorities fuel tax, fines, infringement fees and other receipts	22	30	155
TOTAL OPERATING FUNDING	**15,579**	**19,784**	**18,909**
Applications of operating funding			
Payments to staff and suppliers	11,949	13,489	12,098
Finance costs	138	257	109
Internal charges and overheads applied	1,879	2,226	2,297
Other operating funding applications	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING	**13,966**	**15,972**	**14,504**
Surplus/(deficit) of operating funding	**1,613**	**3,812**	**4,403**
Sources of capital funding			
Subsidies and grants for capital purposes	-	1,303	2,751
Increase/(decrease) in debt	1,000	3,789	-
Gross proceeds from sale of assets	-	-	(7)
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	**1,000**	**5,092**	**2,744**
Applications of capital funding			
Capital expenditure:			
to meet additional demand	-	-	-
to improve levels of service	1,685	6,680	258
to replace existing assets	38	-	1,965
Increase/(decrease) in reserves	977	3,658	4,434
Increase/(decrease) of investments	(87)	(1,434)	490
TOTAL APPLICATIONS OF CAPITAL FUNDING	**2,613**	**8,904**	**7,147**
Surplus/(deficit) of capital funding	**(1,613)**	**(3,812)**	**(4,403)**
FUNDING BALANCE	**-**	**-**	**-**

Te aumangeatanga hapori | Community Resilience
Major variances compared to Year 1 (2024/25) of the Amended Long Term Plan 2024-2034

Operational Funding

Operating funding is $875 thousand (k) lower than the Amended Long Term Plan predominantly due to:

» Lower than planned subsidies and contributions for Regional Transport programmes,

Offset by;

» Unplanned subsidies for Flood Resilience Co-Investment programmes.

Application of Operational Funding

Application of the operating funding is $1.47m lower than the Amended Long Term Plan predominantly due to:

» Lower than planned passenger transport programmes,

Offset by;

» Unplanned Flood Resilience Co-investment funding.

Sources of Capital Funding

Sources of capital funding is $2.35 m lower than the Amended Long Term Plan predominantly due to;

» Grants for Tsunami Siren upgrade programme being classified as capital funding,

» Grants for Joint Emergency Co-ordination centre being classified as capital funding.

Offset by;

» No borrowings for Joint Emergency Co-ordination centre as planned in the Amended Long Term Plan.

Application of Capital Funding

Application of Capital funding is $1.76m lower than the Amended Long Term Plan predominantly due to;

» Lower than planned capital expenditure on the Joint Emergency Co-ordination Centre programme partially offset by Higher than planned capital expenditure on the Tsunami siren replacement programme.

Te hautūtanga ā-rohe

Regional leadership

Mā te kotahitanga

E whai kaha ai tātou

In unity we have strength

There's a lot we do that our community can see, touch and experience, such as trapping pests, planting or riding buses. But many of the things we do are less visible, yet critical to the successful operation of council. Having a good understanding of the wants and needs of Northland's people to inform strong leadership and decision-making, ensuring that we're ahead of the game with statutory obligations to Māori and that we're transparent and accessible - this underpins all that we do as regional leaders.

The regional leadership group of activities sets out what we're doing in these areas, and encompasses the essential corporate and support functions required to ensure we're running in the most efficient, accountable and legislatively compliant manner. It also captures the work we're doing to promote sustainable economic development for Te Taitokerau.

The regional leadership group of activities relates to three of our community outcomes and progress on these is reported in the section "What we did", and via our levels of services and associated performance measures.

Community outcome: Meaningful partnerships with tāngata whenua

- Māori partnerships

Community outcome: A sustainable, innovative and equitable economy

- Economic development

Community outcome: Efficient, progressive and transparent council systems

- Governance
- Community engagement
- Customer services
- Corporate services

Changes to levels of service

In the regional leadership group of activities, levels of service within each activity remained the same as those in the Amended Long Term Plan 2024-2034. Performance measures have been partially achieved with 11 of 17 targets met. Of the six targets not met, one of these was due to miscommunication and an accidental oversight, one was due to prioritisation issues, two were due to circumstances outside of council's control, one was due to insufficient data collected, and one was due to lack of staff satisfaction as recorded in the following tables.

What we did

Meaningful partnerships with tāngata whenua

Our work with Māori is outlined in section one of this report titled 'Meaningful partnerships with tāngata whenua'

Economic development

A major focus of work for 2024/25 was supporting the Joint Regional Economic Development Committee (JREDC). The JREDC was established by Northland Regional Council, Far North District Council and Kaipara District Council to work together on economic development related activities, including the joint shareholder responsibilities for Northland Inc, such as the development of a statement of intent and appointment of directors. Work this year included integrating Whangarei District Council (WDC) as a member of the JREDC following the adoption of its 2024-2034 Long Term Plan on 16 July 2024, which included a decision to become a shareholder and provide funding into the Investment and Growth Reserve (IGR).

An important piece of work undertaken by JREDC was to work with Northland Inc to develop Igniting Northland's Potential, the region's light-touch regional deal proposal submitted to government in February 2025. This drew on Te Rerenga, the economic wellbeing pathway for the region developed in 2023/24 and endorsed by council on 27 August 2024.

A loan of $5M was provided to Te Tai Tokerau Water Trust (TTTWT) under a funding agreement to support the construction of the Mid North Water Scheme east of Kaikohe. Funding came from the Regional Projects Reserve. Construction of the Otawere Reservoir and associated distribution network is expected to be completed in 2025/26.

Work to support Māori economic development through the provision of data and analysis (e.g. Census 2023), to internal committees such as Te Ruarangi, and external organisations such as Te Hiku Iwi Development Trust was used to assist council's input into the development of Northland Inc's Statement of Intent 2025/26 and the regional deals proposal.

Council continued to lobby central government for improved infrastructure, including transport networks and marine industry development. The Northland Economic Quarterly was given a significant revamp, and four issues were published.

Community engagement

Building on the foundation of He Toa Takitini, council's Community Engagement Strategy, the team worked alongside communities across Te Taitokerau to support and deliver meaningful, impactful engagement through events, campaigns, and consultations.

Events and engagement

Council had a strong presence at major regional events including Waitangi Day (80,000 attendees), Northland Field Days (2000+ engagements), and multiple A&P shows. Our interactive displays, wild food giveaways, and educational games helped raise awareness on topics like marine biosecurity, pest control, biodiversity, climate action and freshwater management.

Funding and awards

The sixth Whakamānawa ā Taiao – Environmental Awards celebration was held in June in Waitangi. These biennial awards recognise and celebrate individuals and groups making a meaningful impact to help Taitokerau thrive. This year, 11 winners were recognised – including nine category winners, one supreme winner, and one special award recipient – selected from a pool of 20 finalists. The next awards are scheduled for 2027.

The Tū i te ora Scholarship continued to support local tertiary students, with six recipients gaining financial support and paid work experience across council teams.

The Environmental Leaders Fund (ELF) allocated $35,000 to support 20 school and early childhood centre projects focused on climate action, biodiversity enhancement, water protection, kai growing, and ecosourcing – empowering communities with environmental knowledge and resilience.

Council also provided sponsorship for key regional events, including Te Taitokerau Māori Business 2025 (held biennially), Te Āhuareka o Ngāti Hine (held biennially), the Ballance Farm Environment Awards, the Northland Business Excellence Awards, and the two Northland Science Fair Awards.

Key projects

The Rangatahi Executive Panel project was launched to support the development of a meaningful youth voice within council. Hundreds of young people contributed via surveys and focus groups, offering insights into their understanding of council, their priorities, and their desire for representation. These findings, combined with input from facilitated focus groups, are helping shape a model for meaningful youth participation at council.

Campaigns and communications

Community Engagement delivered strategic, multi-channel campaigns to support council priorities and consultations, including the Long Term Plan, the Marsden Maritime Holdings/Northport proposal, the Regional Pest Management Plan review, and the Navigation Safety Bylaw. The team developed clear, accessible content to encourage public feedback and raise awareness on key issues – including targeted summer messaging around exotic caulerpa and boating safety through the "Good to Go" campaign.

Education

This year saw strong engagement across Te Taitokerau through the Enviroschools Programme, with facilitators supporting an average of 60-90 enviroschools communities monthly, both in person and online. The launch of the Friends of Enviroschools group extended sustainability resources and event access to more communities, while the updated holistic reflection process empowered schools to celebrate and plan their sustainability journeys more flexibly.

Council's NCEA-based Project Pest Control and Wai Fencing courses continued to thrive, with record enrolments and expanded practical workshops held across Kaipara, Whangārei, and the Far North. Students gained hands-on experience in pest control, fencing off waterways, and environmental theory, supported by industry experts and council staff.

Collaborative events such as Ngā Wai Enviroschools Encounters and the Te Rawhiti Young Kaitiaki Summer Programme offered immersive freshwater and marine education experiences. These included electric fishing, aquatic bug monitoring, dune care, and ocean literacy, engaging hundreds of students and tamariki alongside their whānau.

The Environmental Leaders Fund supported climate action projects like recycling centres and food gardens, while new initiatives such as pest control in early childhood centres and marine ecosystems education near Mimiwhangata and Cape Brett broadened the reach of environmental learning. Council also contributed to safe and sustainable school transport planning and hosted a well-received caretaker workshop focused on sustainability practices.

Customer services

The total number of incoming calls through customer services was 16,185 and the mailroom processed 7580 items of mail.

Corporate services

Section 17a service delivery reviews

The following section 17a service delivery reviews were completed and considered this year: Communication and Engagement, Economic Development, Governance and Māori Relationships.

It was determined that the current predominantly insourced model demonstrates the best options including minor improvements for cost effective delivery of these services at this time.

Regional Sporting Facility Rate allocation

Council completed the full disbursement of $1.8M of Regional Sporting Facility Rate funding to Northland Football Hub for the creation of the new complex in Tikipunga, Whangārei. This was officially opened on 24 May 2025.

This completed the disbursement of all allocations for the 2021 to 2024 period and included grants to Bike Northland at the Pohe Island Sports Hub, Whangārei; to Kaikohe and Districts Sportsville for the creation of the new Multisport Complex at Lindvart Park, Kaikohe; and to the Kerikeri Squash Club for a new four court facility.

Regional Rescue Services Rate allocation

Council continues to support vital life-saving organisations through the Regional Rescue Services Fund. This funding, reaffirmed in the 2024–2034 Long Term Plan, is now distributed through a contestable process among six recipients, underscoring the council's long-standing commitment to regional rescue efforts. The organisations funded through to 2027 provide critical emergency response capabilities across land, sea, and air, with strong support from volunteers and our communities.

The recipients for the 2024–2027 funding cycle include the Northland Emergency Services Trust (NEST), Surf Life Saving Northern Region, Coastguard Northern Region, Northland Search and Rescue, Far North Search and Rescue, and Far North Radio and Sea Rescue.

Ballance site remediation

Council's ground lease tenant, Ballance Agri-Nutrients Ltd (Ballance) recently exited the 14ha site located at 124 – 130Fertilizer Road, Port Whangārei. The property had been either a site of fertiliser manufacture or distribution for 63 years, and in Ballance stewardship 28 of these, producing some contamination and safety risk. Hence, Ballance and council sought to remediate the site involving programmed demolition of buildings alongside soil and groundwater testing. Many of the buildings were well beyond repair and old enough to require licenced asbestos assessor services before, during and after demolition. The works spanned two years and have yielded up a significant industrial area property, meeting environmental and zoning standards, within the city and with significant potential for successful development.

TechnologyOne financial system upgrade and Accounts Payable automation / e-invoicing

During the year the council completed a major step forward in its digital transformation journey with the successful implementation of TechnologyOne's CiA Financial system and EzeScan's Accounts Payable automation solution.

This dual upgrade provides the council with a modern, cloud-first platform that seamlessly integrates core operations, enhances data-driven decision-making, boosts efficiency, and delivers greater value to both customers and stakeholders.

The upgrade to CiA and EzeScan was completed within the approved budget and implemented with minimal disruption to business operations.

3.1 Governance

Levels of service, measures and targets

3.1.1 Council maintains effective and transparent democratic processes

Performance measure	Target	2024/25 result
Percentage of official information requests that are responded to within 20 working days	100%	99% – not achieved Of the 401 LGOIMA requests received for the financial year, only three were not responded to within the required timeframes. Two were due to a delay in communicating time extensions and one was an unintentional oversight for which remedial action is now in place to avoid a recurrence. 2023/24: 99.2% - not achieved
Percentage of time that elected members attend council meetings	90%	95% – achieved This is an average across the four quarters. Note that this measure records only that a member was present, not whether they attended the entire meeting or not. 2023/24: 95.6% - achieved
Percentage of time that council decisions actively involve the community, in accordance with council's Significance and Engagement Policy	100%	100% – achieved A random sample of decision-making reports from the 11 months with ordinary council meetings was reviewed. Each report's consideration of significance and engagement, and community views, was analysed. All 11 reports complied with the council's Significance and Engagement Policy, with community involvement appropriately addressed—ranging from matters requiring no public input due to their routine nature, to decisions involving full public consultation. New measure

3.2 Māori partnerships

Levels of service, measures and targets

3.2.1 Enduring relationships between council and Māori are working to deliver on the aspirations of Māori, and strong outcomes for Te Taitokerau, supported by capable and skilled leaders

Performance measure	Target	2024/25 result
An independent Treaty Health Check is completed bi-annually, and recommendations from this are being implemented	Bi-annual completion with implementation underway	Complete – achieved The Health Check process, including workshopping with council and Te Ruarangi members, has been completed. However, the report is yet to be presented, as council has requested an additional workshop to review and discuss the findings before it is endorsed by Te Ruarangi and formally adopted by council this term. 2023/24: incomplete - not achieved
Percentage of councillors and executive leadership team that participate in annual core cultural competency training	100%	100% – achieved All councillors and the Executive Leadership Team attended cultural competency training throughout the year. 2023/24: 100% - achieved
Percentage of council employees that undertake cultural compenency training within 12 months of employment, and complete a refresher every three years	100%	56% (12 mth training) 33% (36 mth refresher) – not achieved This is an average across the four quarters. Note reporting this year has focused on Te Whāriki Level 1 as the marker. Next year staff will look to include a range of options for undertaking competency training in addition to Te Whāriki Level 1. New measure
Percentage of Mana Whakahono ā Rohe agreements established that meet key statutory obligations, reflecting mutually beneficial and respectful negotiations between council and iwi/hapū	100% of agreements compliant	100% - achieved

		An agreement was signed with Ngāti Hine on 12 December 2024. The six-month review with Te Parawhau, originally scheduled for Q2, has been deferred to accommodate their higher-priority commitments. Staff continue to respect their leadership in determining the timing. Staff are also engaging with our MWaR partners around a collective review approach aligned with their available resources and priorities. New measure
Level of satisfaction of tāngata whenua with council's relationships and partnerships with them	Satisfaction levels increase annually, up to 80% by 2034	Baseline not established – not achieved Staff have received direction from Te Ruarangi that their satisfaction will be reported more appropriately through the Tiriti Health Check process, which has been completed, rather than via a percentage-based survey as originally targeted. This result is considered outside of council's control. New measure
Percentage of priority actions set out in Tāiki ē (council's Te Tiriti strategy and implementation plan), that are commenced within the timeframes identified in the plan (as endorsed by Te Taitokerau Māori and Council Working Party)	100% of actions	100% – achieved All actions have commenced according to planned timeframes and are reported at each formal Te Ruarangi meeting. An annual report highlighting achievements and progress from Tāiki ē is underway and will be presented to Te Ruarangi and council in August. New measure
Percentage of tāngata whenua environmental funding that is allocated to iwi and hapū to enhance and enable mātauranga Māori outcomes that inform council policy development and decision making	100% of funding allocated	100% – achieved Both tāngata whenua environmental and IHEMP funding was fully allocated with a robust process that included the Science and Monitoring teams to ascertain worthy recipients. Funding was oversubscribed and staff continue to work with unsuccessful applicants to support applications for the following year. New measure

3.3 Economic development

Levels of service, measures and targets

3.3.1 Northland's economic wellbeing is made more resilient by the coordination and delivery of sustainable economic development activities and funding across the region, and is benefitting from well-established partnerships

Performance measure	Target	2024/25 result
Northland Inc's annual statement of intent contains at least one KPI relating to supporting businesses transition to net zero-carbon	At least one a year	100% – achieved Northland Inc's SOI 2024/25 contains the two relevant KPIs. New measure
Council is contributing to at least one big infrastructure project that supports economic development in the region each year	At least one a year	100% – achieved An agreement to support the Mid North Water Scheme was signed in November and funding was provided in December 2024. New measure
Percentage of actions in the regional economic development strategy being implemented in accordance with the phasing schedule/plan each year	100% of actions	Unknown – not achieved Reporting on the percentage of completed actions for 2024/25 isn't possible yet, as the implementation plan is still being finalised. This result is considered outside of council's control. New measure

3.4 Community engagement

Levels of service, measures and targets

3.4.1 Communities are well informed about council's work, know how to get involved, and are engaged in council processes

Performance measure	Target	2024/25 result
Percentage of residents surveyed who are satisfied with overall communication and engagement	Maintain or increase	39.2% – achieved (Baseline is 33%) During the year, a total of 51 people responded to the question "How satisfied are you with how we communicate and engage with you?" Of those, 20 were either 'very satisfied' or 'satisfied'. 2023/24: 33% - not achieved (2022/23 result was 35%)

3.5 Customer services

Levels of service, measures and targets

3.5.1 Quality service is provided, that is effective and informative

Performance measure	Target	2024/25 result
Percentage of customers surveyed who are satisfied with the quality of service received following an interaction with council	Maintain or increase	Insufficient data – not achieved/baseline not established While this is an existing KPI, the methodology changed significantly (to try and gain a larger sample set), therefore this reporting year aimed to establish a new baseline. However, with only 11 responses received, staff believe the data is insufficient. Efforts will continue to gather more responses for a more accurate baseline. 2023/24: 65% - not achieved (2022/23 result was 69.5%)

3.6 Corporate services

Levels of service, measures and targets

3.6.1 The corporate systems and investments that support council activities are effective and future-focused

Performance measure	Target	2024/25 result
Percentage of staff satisfied with the quality of internal systems and processes that support the delivery of council work	90% of staff satisfied	69% – not achieved An annual staff survey resulted in 72 responses, of which 50 were either 'extremely satisfied' or 'satisfied'. The feedback gathered has been analysed and results taken to the Corporate Services Managers team to action. New measure
Percentage return achieved across council's investment portfolio that is available to fund council activities	At least 7% net return per annum (as per the investment policy	25.5% – achieved New measure

Te hautūtanga ā-rohe | Regional Leadership

Funding Impact Statement

For the period ending 30 June	Long Term Plan 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Sources of operating funding			
General rates, uniform annual general charges, and rates penalties	-	-	146
Targeted rates	9,412	11,309	11,275
Subsidies and grants for operating purposes	492	456	1,120
Fees and charges	154	633	1,318
Internal charges and overheads recovered	13,549	15,724	16,429
Local authorities fuel tax, fines, infringement fees and other receipts	12,245	10,840	12,187
TOTAL OPERATING FUNDING	**35,852**	**38,962**	**42,475**
Applications of operating funding			
Payments to staff and suppliers	29,337	30,765	30,398
Finance costs	511	1,192	703
Internal charges and overheads applied	1,626	2,008	1,794
Other operating funding applications	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING	**31,474**	**33,965**	**32,895**
Surplus/(deficit) of operating funding	**4,378**	**4,997**	**9,580**
Sources of capital funding			
Subsidies and grants for capital purposes	-	-	-
Increase/(decrease) in debt	-	40,118	40,190
Gross proceeds from sale of assets	-	-	(83)
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	**-**	**40,118**	**40,107**
Applications of capital funding			
Capital expenditure:			
to meet additional demand	-	-	-
to improve levels of service	507	4,857	351
to replace existing assets	454	535	339
Increase/(decrease) in reserves	(3,152)	(1,487)	4,478
Increase/(decrease) of investments	6,567	41,210	44,519
TOTAL APPLICATIONS OF CAPITAL FUNDING	**4,378**	**45,115**	**49,687**
Surplus/(deficit) of capital funding	**(4,378)**	**(4,997)**	**(9,580)**
FUNDING BALANCE	**-**	**-**	**-**

Te hautūtanga ā-rohe | Regional Leadership

Major variances compared to Year 1 (2024/25) of the Amended Long Term Plan 2024-2034

Operating funding is $3.51million (m) higher than the Amended Long Term Plan predominantly due to:

- Unplanned funding for CCO support,
- Unplanned funding contributions for information systems,
- Unplanned cost recoveries from tenancies,
- Unplanned funding for Iris Next Gen programme,
- Unplanned funding for the Strategic review.

Application of Operational Funding

Application of the operating funding is $1.07m lower than the Amended Long Term Plan predominantly due to:

- Higher than planned costs on the strategic review,
- Lower than planned member representation and advisory costs.

Application of Capital Funding

Application of Capital Funding is $4.57m higher than the Amended Long Term Plan predominantly due to:

- Lower than planned development of commercial property development costs,
- Reserve funding increasing greater than expected due to receiving unplanned operational funding during the year.

Financial prudence

Rates affordability benchmarks

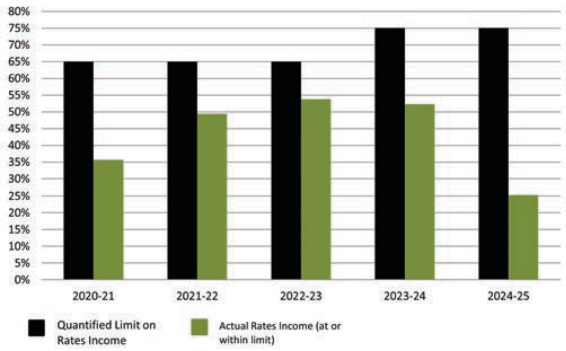
The council meets the rates affordability benchmark if:

- Its actual rates income equals or is less than each quantified limit on rates (no more than 65% total revenue); and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

Rates income affordability

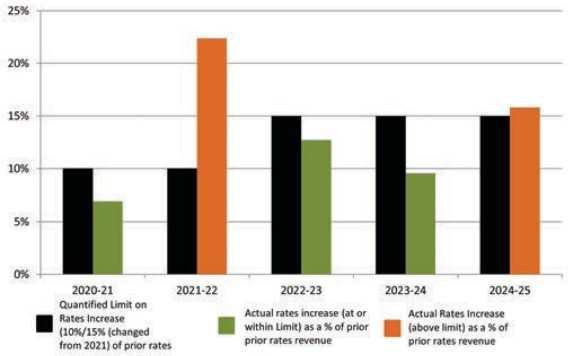
The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's amended long-term plan 2024-2034. The quantified limit is no more than 75% of total revenue in 2022-23 and 2021-22 but for prior years it was 65%.

In the 2024-25 year there was a large fair value gain included in revenue in recognition of the joint venture transaction for Northport Holding Limited. If this is excluded from revenue the actual rates income % sits at 54% which is in line with 2023-24.



Rates increase affordability

The following graph compares the council's actual rates increases with a quantified limit on rates increases in the financial strategy included in the council's amended Long Term Plan 2024-2034. The quantified limit is 15%, but prior to 2021-22 years it was 10%.



In 2021-22 and 2024-25 Council decided to breach their quantified limit on rates rises in order to undertake programmes that allow them to meet community and central government expectations. These are considered exceptional years and an opportunity to position council for the medium to long term.

Debt affordability benchmarks

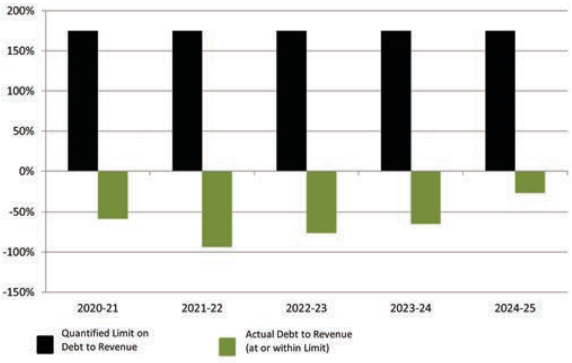
The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graphs compare the council's actual borrowing with quantified limits on borrowing stated in the financial strategy included in the council's amended Long Term Plan 2024-2034.

Northland Regional Council has $66,040,692 of external debt.

Net debt to total revenue

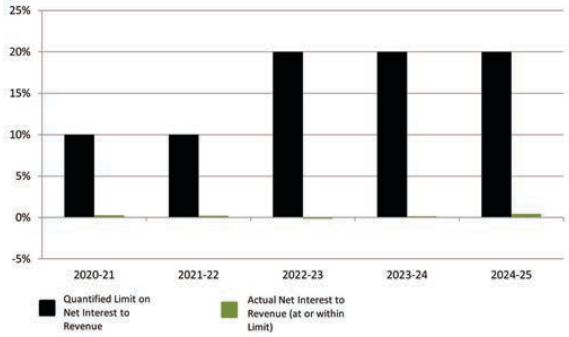
The quantified limit for net debt as a proportion of total revenue is 175%.



Northland Regional Council carries significant investments categorised as non-current assets that could be liquidated if required.

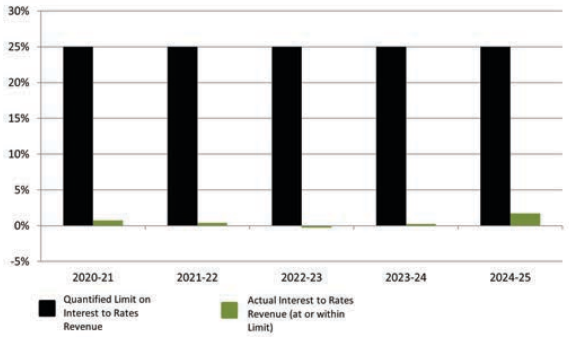
Net interest to total revenue

The quantified limit for Net Interest as a proportion of total revenue is 20% for 2024-25 and 2021-22 and 10% for previous financial years.



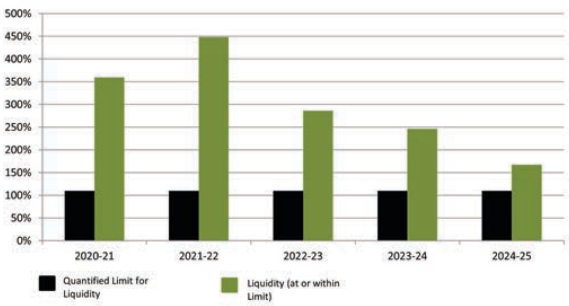
Net interest to annual rates revenue

The quantified limit for net interest as a proportion of annual rates revenue is 25%.



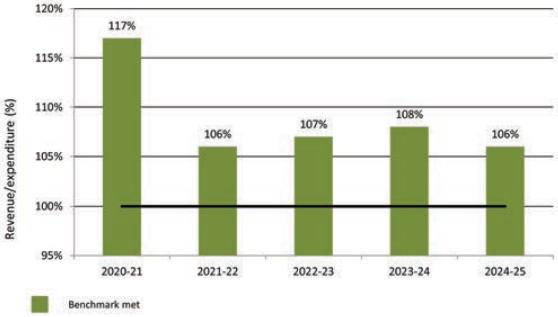
Liquidity

Council measures liquidity as total externally managed funds over total external borrowings. The quantified limit for liquidity is set as a minimum of 110%. From 2021-22 the total externally managed funds excludes any private equity funds.



Balanced budget benchmark

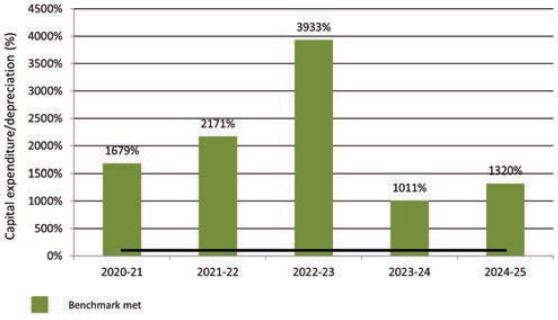
This graph shows council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The totals used in the graph do include gains or losses on disposal of property, plant, or equipment. Council meets this benchmark if its revenue equals or is greater than its operating expenses. The benchmark is represented by the black line.



Essential services benchmark

This graph shows the council's capital expenditure on network services (flood protection) as a proportion of depreciation on network services.

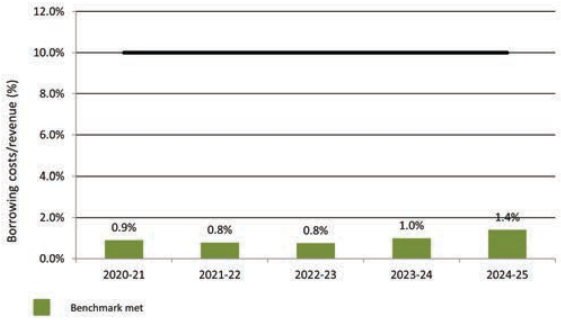
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. The benchmark is represented by the black line.



Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the population served by the council will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if it's borrowing costs equal or are less than 10% of its revenue. The benchmark is represented by the black line.



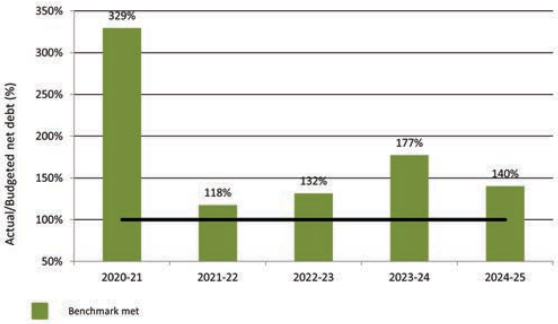
Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

Northland Regional Council has low external debt, so therefore has planned to have net assets in all the years represented in the following graph. Financial Assets (excluding trade and other receivables) were planned to exceed its financial liabilities.

The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. For the purposes of this measure 100% equals planned net assets and an amount higher than 100% represents lower net debt than planned. The benchmark is represented by the black line.

2020-21 reflects lower actual net debt due to the sale proceeds of the MPRL JV being held in council's investment portfolio, lower than planned financial assets being required to fund development projects that were delayed due to COVID-19, and lower than planned borrowings required for capital works.

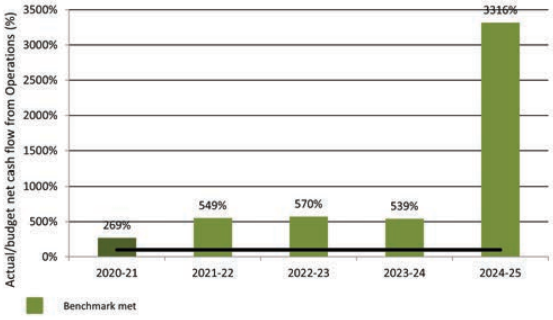


Operations control benchmark

This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations. For the purposes of this measure 100% equals planned net cash flow. The benchmark is represented by the black line.

In the 2024-25 year, the budget to actual variance in operating cash flow reflects both lower than expected supplier and staff payments, as well as the impact of assumption-based adjustments made by the budgeting system that did not materialise in the actual result.



Wāhanga tuatoru: Tauākī pūtea

Section three: Financial statements

Statement of comprehensive revenue and expense

For the year ended 30 June 2025	Note	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Revenue						
Rates		55,216	54,815	47,676	55,216	47,676
Fees and charges		7,327	6,343	7,475	9,616	9,822
Subsidies and grants	2(iv)	21,630	19,335	22,217	21,630	22,217
Revenue from activities		-	-	-	50	44
Interest revenue		953	188	732	985	766
Other revenue	2(ii)	6,180	5,604	7,453	13,843	12,954
Other gains	2(iii)	126,690	130,699	5,552	50,112	5,577
TOTAL REVENUE	1	**217,996**	**216,984**	**91,105**	**151,452**	**99,056**
Expenses						
Personnel costs	3	32,093	33,544	28,068	34,827	30,244
Depreciation and amortisation expense	13	2,176	2,442	2,182	2,757	2,744
Finance costs		1,277	2,031	852	3,601	2,702
Other expenses	4	51,279	54,160	51,619	62,824	61,034
TOTAL EXPENSES	1	**86,825**	**92,177**	**82,721**	**104,009**	**96,724**
Share of associate and joint venture company surplus/(deficit)	12(i),(ii)	34	-	14	8,553	7,960
SURPLUS/(DEFICIT) BEFORE TAX		**131,205**	**124,807**	**8,398**	55,996	**10,292**
Income tax expense	5	-	-	-	114	(488)
SURPLUS/(DEFICIT) AFTER TAX		**131,205**	**124,807**	**8,398**	**56,110**	**9,804**
SURPLUS/(DEFICIT) ATTRIBUTABLE TO:						
Northland Regional Council		131,205	124,807	8,398	53,739	7,766
Non-controlling interest					2,371	2,038
Other comprehensive revenue and expense						
Items that will be reclassified to surplus/(deficit):						
Net hedging movement	16	-		-	(781)	(643)
Items that will not be reclassified to surplus/(deficit):						
Gains/(loss) on property revaluations (other than investment properties)		1,075	-	(745)	3,987	(2,306)
Gains/(loss) on forestry carbon credit revaluation	14	-	-	245	-	245
TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE		**1,075**	-	**(500)**	**3,206**	**(2,704)**
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		**132,280**	**124,807**	**7,898**	**59,316**	**7,100**
TOTAL COMPREHENSIVE REVENUE AND EXPENSE ATTRIBUTABLE TO:						
Northland Regional Council					55,958	6,084
Non-controlling interest in Marsden Maritime Holdings Limited					3,358	1,016
					59,316	**7,100**

The financial statements should be read in conjunction with the Statement of accounting policies and Notes to the financial statements.

Major variances compared to the Amended Long Term Plan 2024-34 (in thousands)

Revenue

Revenue is $1,033 more than Amended Long Term Plan budget mainly due to:

- Higher than budgeted rates of $401
- Higher than budgeted RMA consent applications of $139
- Higher than budgeted compliance monitoring fees for coastal compliance $32
- Higher than budgeted incident response fees of $104
- Higher than budgeted tenancy recovery costs $354
- Unbudgeted contributions for council projects and strategic review of $431
- Unbudgeted contributions for the Tsunami Sirens Network programme of $1,984
- Unbudgeted contributions for Council Controlled Organisational support of $475
- Higher than budgeted subsidies of $3,374 for Caulerpa response.
- Unbudgeted subsidies for the Flood Resilience Co-investment programme of $1,380
- Higher than budgeted subsidies for Wild Deer Te Taitokerau of $605
- Higher than budgeted interest earnt on cash deposits of $248, and term deposits of $215
- Higher than budgeted gains on externally managed fund of $950
- Higher than budgeted gains on revaluation of investment property of $1,884,
- Higher than budgeted gains on forestry assets of $683 and disposal of carbon credits of $218
- Higher than budgeted gains on disposal of councils operational assets of $58
- Higher than budgeted gain in fair value of financial assets and impairment reversals of $172

Partially offset by:

- Lower than budgeted NZTA subsidies for regional transport operating costs of $1,498
- Lower than budgeted funding contributions for the Joint Emergency Co-ordination Centre of $1,540
- Lower than budgeted allocation of Predator Free 2050 subsidies of $1,075
- Lower than budgeted funding contributions for Northland Flood Resilience Marae programmes of $1,057
- The $7.8m loss on disposal of the shares in Marsden Maritime Holdings Ltd was budgeted as expenditure. However, the actual loss was offset against revenue which contributed to a lower revenue variance and the lower than budget expenditure variance.

Expenditure

Expenditure is $5,352 lower than the Amended Long Term Plan budget mainly due to:

- Higher than budgeted expenditure for compliance monitoring of $364
- Higher than budgeted consent applications expenditure of $226
- Higher than budgeted expenditure on the Caulerpa response programme $3,374
- Higher than budgeted expenditure on Regional River programmes of $1,234
- Higher than budgeted expenditure of Northland Flood Affected Marae programmes of $759
- Higher than budgeted expenditure on Flood Resilient Co-investment programme of $1,380
- Higher than budgeted expenditure on Taumārere catchment project of $146
- Higher than budgeted loss on disposal of investment property of $755

Partially offset by:

- Lower than budgeted expenditure for Te Mana O te Wai Implementation of $297
- Lower than budgeted expenditure on National Policy Statement for Freshwater implementation of $152
- Lower than budgeted expenditure on regional transport works of $2,196
- Lower than budgeted expenditure on member representation and advisory costs of $327
- Lower than budgeted expenditure on community liaison costs of $188
- Lower than budgeted finance costs of $754
- Lower than budgeted personnel costs of $1,451 and ACC costs of $61
- Lower than budgeted depreciation and amortisation costs of $266

Statement of changes in equity

For the year ended 30 June 2025	Note	Accumulated funds $000	Reserves $000	Total Council $000	Amended Long Term Plan $000
Council					
Balance at 30 June 2023		**158,976**	**65,273**	**224,249**	**236,689**
Total comprehensive revenue and expense for the year		7,898	-	7,898	34
Net transfers in special reserves	20	791	(791)	-	-
Net transfers in other reserves		500	(500)	-	-
Balance at 30 June 2024		**168,165**	**63,982**	**232,147**	**236,723**
Total comprehensive revenue and expense for the year		132,280	-	132,280	124,807
Net transfers in special reserves	20	41,311	(41,311)	-	-
Net transfers in other reserves		(265)	265	-	-
Balance at 30 June 2025		**341,491**	**22,936**	**364,427**	**361,530**

For the year ended 30 June 2025	Note	Accumulated funds $000	Reserves $000	Subtotal Group $000	Non-controlling interest $000	Total Group $000
Group						
Balance at 30 June 2023		**199,702**	**102,543**	**302,245**	**75,421**	**377,666**
Total comprehensive revenue and expense for the year		6,084	-	6,084	1,016	7,100
Net transfers in special reserves	20	791	(791)	-	-	-
Net transfers in other reserves		1,682	(1,682)	-	-	-
Dividends paid		-	-	-	(2,587)	(2,587)
Balance at 30 June 2024		**208,259**	**100,070**	**308,329**	**73,850**	**382,179**
Total comprehensive revenue and expense for the year		55,958	-	55,958	3,358	59,316
Net transfers in special reserves	20	41,311	(41,311)	-	-	-
Net transfers in other reserves		35,963	(35,963)	-	-	-
Dividends paid		-	-	-	(1,101)	(1,101)
Derecognition of hedging reserve on derecognition of subsidiary*		-	140	140	120	260
Elimination of non controlling interest on derecognition of subsidiary					(76,227)	(76,227)
Balance at 30 June 2025		**341,491**	**22,936**	**364,427**	**0**	**364,427**

* Accumulated cashflow hedge reserve is recognised through surplus/(deficit) upon derecognition of subsidiary.

The financial statements should be read in conjunction with the Statement of accounting policies and Notes to the financial statements.

Statement of financial position

As at 30 June 2025	Note	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
EQUITY						
Accumulated funds	20	341,491	355,230	168,165	341,491	208,259
Reserves	20	22,936	6,300	63,982	22,936	100,070
Total equity attributable to Northland Regional Council		**364,427**	**361,530**	**232,147**	**364,427**	**308,329**
Non-controlling interest	20				-	73,850
TOTAL EQUITY		**364,427**	**361,530**	**232,147**	**364,427**	**382,179**
ASSETS						
Current assets						
Cash and cash equivalents	6	11,524	1,227	10,150	11,524	10,363
Receivables	7	8,488	9,618	10,803	8,488	11,739
Inventory	8	304	276	361	304	445
Assets held for sale	9	-	3,385	857	-	857
Other financial assets	10	11,565	12,926	6,399	11,565	6,399
Derivative financial instruments		-	-	-	-	379
TOTAL CURRENT ASSETS		**31,881**	**27,432**	**28,570**	**31,881**	**30,182**
Non-current assets						
Receivables	7	142	791	-	142	-
Investment property	11	84,807	92,482	81,994	84,807	191,754
Other financial assets	10	102,516	101,052	67,135	102,516	67,372
Investment in subsidiaries (excluding council controlled organisations) and joint venture company	12(i)	130,638	130,757	7,828	130,638	54,581
Investment in Council Controlled Organisations	12(ii)	440	282	406	440	406
Property, plant and equipment	13	78,672	90,223	69,846	78,672	98,580
Capital projects in progress	13	11,241	-	13,152	11,241	13,313
Intangible assets	14	278	-	115	278	115
Forestry assets	15	5,013	4,242	4,330	5,013	4,330
TOTAL NON-CURRENT ASSETS		**413,747**	**419,829**	**244,806**	**413,747**	**430,451**
TOTAL ASSETS		**445,628**	**447,261**	**273,376**	**445,628**	**460,633**

As at 30 June 2025	Note	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
LIABILITIES						
Current liabilities						
Payables and deferred revenue	17	10,809	9,064	12,842	10,809	14,338
Employee entitlements	18	3,706	3,307	3,285	3,706	3,372
Borrowings	19	6,883	3,385	-	6,883	-
TOTAL CURRENT LIABILITIES		**21,398**	**15,756**	**16,127**	**21,398**	**17,710**
Non-current liabilities						
Payables and deferred revenue	17	626	610	625	626	2,453
Employee entitlements	18	19	22	19	19	19
Deferred tax liability		-	-	-	-	374
Borrowings	19	59,158	69,343	24,458	59,158	57,898
TOTAL NON-CURRENT LIABILITIES		**59,803**	**69,975**	**25,102**	**59,803**	**60,744**
TOTAL LIABILITIES		**81,201**	**85,731**	**41,229**	**81,201**	**78,454**
NET ASSETS		**364,427**	**361,530**	**232,147**	**364,427**	**382,179**

The financial statements should be read in conjunction with the Statement of accounting policies and Notes to the financial statements.

Major variances compared to the Amended Long Term Plan 2024-2034 (in thousands)

Asset Variances

Current assets variance of $4,449

Cash and cash equivalents are $10,297 higher than the Amended Long Term Plan

predominantly due to:

» Holding higher than planned cash and on hand due to short term cash requirements.

Receivables are $1,130 lower than the Amended Long-Term Plan due to:

» Lower levels of outstanding general and rates debtors than planned at end of the year.

Inventories are $28 higher than the Amended Long Term Plan due to

» Higher than planned levels of consumable inventory on hand at the end of the year.

Assets held for resale are $3,385 lower than the Amended Long Term Plan due to;

» Planned development of Commercial properties for resale were delayed.

Other financial assets are $1,361 lower than the Amended Long term plan due to

» Lower than planned balances of term investments, held due to the timing of cashflow requirements.

Non-Current variance of ($6,082)

Investment Property is $7,675 lower than the Amended Long Term Plan due to;

» Lower than planned expenditure on commercial property development.

» Higher than planned loss on disposal of commercial properties,

Other financial assets are $1,464 higher than the Amended Long Term Plan due to

» Higher than planned loan relating to councils Joint Ventures,

» Higher than planned long term investments at the end of the financial year.

Property Plant and equipment are $11,551 lower than the Amended Long Term Plan due to

» Planned development of owner occupied properties was deferred during the year, including the planned expansion of Nursery.

Capital projects in progress are $11,241 higher than the Amended Long Term plan due to

» Council assets not fully completed at the end of the year and remain in development at the end of the year.

» Tsunami Siren replacement programme not completed during the year as anticipated.

Intangible assets are $278 higher than the Amended Long Term Plan due to

» An increase in council operational software for the year.

Forestry Assets are $771 higher than the Amended Long Term Plan due to

» Gains on the revaluation of council's forestry assets for the year.

Liability variances

Current variance of $5,642

Payables and deferred revenue are $1,745 higher than the Amended Long Term Plan due

to;

» Higher than planned levels of funding received in advance, for council work programmes not undertaken during the year,

» Higher number of invoices payable at the end of the financial year, including capital invoices.

Employee entitlements are $399 higher than the Amended Long Term Plan due to

» Increase in employee leave balances for the year.

Borrowings are $3,498 higher than the Amended Long Term Plan due to

» Higher than planned short term borrowings drawn down for councils investment activities.

Non-current Liabilities variance of ($4,529)

Borrowings are $10,185 lower than the Amended Long Term Plan due to

» Lower than planned long term borrowings drawn down for projects and investment activities, noting short term borrowing is higher than planned.

Equity variances

Total Equity is $2.863 higher than the Amended Long Term Plan due to;

» A higher that planned comprehensive revenue and expense for the year

» Revaluation reserves increasing due to favourable fair value movements on council land and buildings.

» The balance of the Joint Venture Enterprise reserve at year end being better than planned due to increased funding to support the investment.

Statement of cash flows

For the year ended 30 June 2025	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Cash flows from operating activities					
Receipts from rates revenue	53,070	54,079	46,243	53,070	46,243
Receipts from customers	15,414	12,678	9,736	26,291	20,212
Interest received	825	184	661	857	695
Dividends received	1,273	1,273	2,989	5,674	7,105
Subsidies and grants received	20,473	21,765	21,250	20,473	21,250
Payments to suppliers and employees/members	(82,264)	(93,771)	(73,130)	(97,376)	(81,552)
Interest paid	(1,093)	(2,031)	(777)	(3,156)	(2,627)
Income tax paid	-	-	-	(10)	(23)
Net goods and services tax received/(paid)	417	5,563	191	417	191
Net cash from operating activities	**8,115**	**(260)**	**7,163**	**6,240**	**11,494**
Cash flows from investing activities					
Receipts from sale of property, plant and equipment	92	-	582	101	758
Receipts from sale of forestry carbon credits	1,075	-	-	1,075	-
Receipt from the sale of investments	44,221	12,842	47,787	44,221	47,787
Loan repayments received	35	-	1,976	35	1,976
Loans made	(39,133)	-	(1,350)	(39,133)	(1,350)
Purchase of property, plant and equipment and intangible assets	(8,240)	(13,868)	(14,425)	(8,978)	(14,733)
Additional capital contribution to joint venture company	(6,638)	-	-	(6,638)	-
Purchase of investment property	(126)	(4,450)	(964)	(2,811)	(3,926)
Purchase of financial investments	(37,855)	(43,699)	(44,196)	(37,855)	(44,196)
Net cash derecognised on disposal of subsidiary	-	-	-	(433)	-
Net cash from investing activities	**(46,569)**	**(49,175)**	**(10,590)**	**(50,416)**	**(13,684)**
Cash flows from financing activities					
Proceeds received from ASB facility	-	-	-	6,610	1,490
Dividends paid	-	-	-	(1,101)	(2,587)
Proceeds from borrowings	39,828	45,966	6,100	39,828	6,100
Net cash from financing activities	**39,828**	**45,966**	**6,100**	**45,337**	**5,003**
Net increase (decrease) in cash, cash equivalents and bank overdrafts	**1,374**	**(3,469)**	**2,673**	**1,161**	**2,813**
Cash, cash equivalents and bank overdrafts at the beginning of the year	10,150	4,696	7,477	10,363	7,550
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS AT THE END OF THE YEAR	**11,524**	**1,227**	**10,150**	**11,524**	**10,363**

Reconciliation of net surplus after tax to the cash flows from operations

For the year ended 30 June 2025	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Surplus/(deficit) after tax	131,205	8,398	56,110	9,804
Add/(less) non cash items				
Depreciation & amortisation expense	2,176	2,182	2,757	2,744
(Gain)/loss on derecognition of subsidiary	(116,173)	-	(37,500)	-
(Gain)/loss in fair value of investment property	(3,422)	3,128	(5,365)	3,128
(Gain)/loss in fair value of forestry assets	(683)	(88)	(683)	(88)
Share of associate companies' (surplus)/deficit	(34)	(14)	(8,553)	(7,915)
Share of dividends from joint venture	-	-	5,625	7,016
Other (gains)/losses in fair value	(137)	212	(279)	3,234
Non cash (gain)/loss on externally managed funds	(5,963)	(5,074)	(5,963)	(5,074)
Other non-cash items	77	(30)	1,898	(30)
Total non cash items	**(124,159)**	**316**	**(48,063)**	**3,015**
Add/(less) items classified as investing or financing activities				
(Gains)/loss on sale of property plant and equipment	(58)	(365)	(68)	(384)
(Gains)/loss on sale of forestry carbon credits	(218)		(218)	-
(Gains)/loss on disposal of investment property	755		755	-
Total items classified as investing or financing activities	**479**	**(365)**	**469**	**(384)**
Add/(Less) movements in working capital				
Decrease (increase) in trade and other receivables	2,510	(2,223)	3,290	(2,656)
Decrease (increase) in prepayments	(195)	(144)	(39)	(154)
Decrease (increase) in inventory	57	(85)	141	(62)
(Decrease) increase in tax payable	-	-	(297)	301
(Decrease) increase in non current receivables	(142)	-	(142)	-
(Decrease) increase in trade and other payables	(2,033)	1,160	(5,445)	1,048
(Decrease) increase in revenue received in advance	(0)	(31)	(208)	184
(Decrease) Increase in employee entitlements accrual	421	44	334	84
Investing capital items included in working capital movements	(28)	93	90	314
	590	**(1,186)**	**(2,276)**	**(941)**
Net cashflows from operating activities	**8,115**	**7,163**	**6,240**	**11,494**

Statement of accounting policies

1.1 Reporting entity

Northland Regional Council is a local authority established under, and governed by, the Local Government Act 2002 and the Local Government (Rating) Act 2002.

The group consists of the ultimate parent, Northland Regional Council (the 'council'), and the council's interests in its:

- Subsidiary ('controlled entity') – Marsden Maritime Holding Limited which was derecognised in a step-down transaction during the reporting period – refer note 1.3.1, and
- Joint ventures – Northport Group Limited (acquired in 2025) and North Port Limited (disposed of in 2025) - refer to note 12(i), and
- Associates - Northland Inc Limited, and Regional Software Holdings Limited (significant influence ceased during 2025) – refer note 12(ii).

Further details of the change in the structure of the Group are detailed in note 1.3.2.

Northland Regional Council and its subsidiary, joint ventures and associates are incorporated, domiciled and operate in New Zealand.

The primary objective of Northland Regional Council is to provide goods or services and perform regulatory functions for the community benefit rather than making a financial return. Accordingly, Northland Regional Council has designated itself and the group as Public Benefit Entities for financial reporting purposes.

1.2 Basis of preparation

The financial statements have been prepared on the going concern basis, and accounting policies have been applied consistently throughout the period.

1.3 Summary of Significant Accounting Policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

1.3.1 Basis of Consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses and cash flows of the council and its controlled entities on a line-by-line basis. All intra-group balances, transactions, revenues and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The consolidation of an entity begins when council obtains control over the controlled entity and is applied up until the date that control ceases (refer to note 12(i) for further details on deconsolidation).

The Group controls an investee if all three of the following elements are present: (i) Power over the investee; (ii) Exposure to variable returns from the investee; and, (iii) The ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Consolidated financial statements are prepared up to and including the reporting period in which council loses control of its final controlled entity.

The subsidiaries (controlled entities) in the group are:

Entity Name	Nature of Business	Relationship	Ownership/Control	
			2025	2024
Marsden Maritime Holdings Limited	Registered Port Company under the Port Companies Act 1988 and 50% joint venture owner of NorthPort	Subsidiary	0.00%	53.6%

As detailed in note 1.3.2 below, on 26 June 2025, significant changes occurred to the structure of council's investment in Marsden Maritime Holdings Limited, as well as Marsden Maritime Holdings own structure. Consequently this has resulted in the Council, as at 26 June 2025:

1. Deconsolidating Marsden Maritime Holdings Limited as a subsidiary,

2. Derecognising Northport Limited as a joint venture,

3. Recognising Northport Group Limited as a joint venture.

1.3.2 Significant Transactions and Events

In February 2025 a consortium comprising the Council, Port of Tauranga and Tupu Tonu announced a conditional buy-out of the minority shareholders in Marsden Maritime Holding Limited (MMH) in order to simplify the NZX groups ownership structure through delisting its shares and bringing full control of Northport under a single ownership umbrella.

The buy-out transaction (the 'transaction') was completed on 26 June 2025 and constituted loss of control in councils subsidiary MMH. The Council's retained interest in MMH now consists of a 43% ownership of Northport Group Limited

which itself holds 100% of the ordinary shares in MMH, with MMH now holding 100% of the ordinary shares in NorthPort Limited (prior to the transaction, MMH held 50% of the ordinary shares).

The Council has assessed that the retained interest in MMH (via its 43% shareholding in Northport Group Limited) resulting from the transaction is a Joint arrangement, and classified as a Joint venture. Refer to note 12(i) for more information on the changing ownership interests in councils investee entities.

1.4 Reporting period

The financial statements of the council and group are for the year ended 30 June 2025. The financial statements were authorised for issue by council on 23 September 2025.

1.5 Statement of Compliance

The financial statements of the council and group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements comply with PBE accounting standards.

1.6 Presentation currency and rounding

The financial statements are presented in New Zealand dollars, which is the functional currency of Northland Regional Council and all values are rounded to the nearest thousand dollars ($000).

1.7 Change in Accounting Policies

Disclosure of Fees for Audit Firms' Services – (Amendments to PBE IPSAS 1)

Disclosure of Fees for Audit Firms Services (the amending Standard) was issued in May 2023. This amending standard updates the required disclosures for fees relating to services provided by the entity's audit or review firm. The fees must be disaggregated into specified categories and there is guidance to assist entities in determining the types of services to include in each category.

This amending standard is effective for reporting periods beginning on or after 1 January 2024. The council has adopted the amendment (refer to Note 4) and the adoption did not result in any impact on the councils or groups financial statements.

2024 Omnibus Amendments to PBE Standards (PBE IAS 12 portion)

The 2024 Omnibus Amendments include updates to PBE IAS 12 Income Taxes clarifying that NZ IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD. This amending standard relates to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million. As the Group's consolidated revenues are less than EUR 750 million, it is not in the scope of the Pillar Two model rules and the amending standard is not applicable.

1.8 Standards issued but not yet effective

2024 Omnibus Amendments to PBE Standards, issued October 2024

The 2024 Omnibus Amendments include updates to PBE IPSAS 1 Presentation of Financial Reports to clarify the principles for classifying a liability as current or non-current. The amendments are effective from reporting periods beginning on or after 1 January 2026.

Council has not assessed in detail the effect of the new standard and will adopt the standard in the year ending 30 June 2027.

PBE IFRS 17 Insurance Contracts

PBE IFRS 17 Insurance Contracts for public sectors was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It is effective for reporting periods beginning on or after 1 January 2026 with early adoption permitted.

Council has not assessed in detail the effect of the new standard and will adopt the standard in the year ending 30 June 2027.

1.9 Foreign currency transactions

Foreign currency transactions (including those for which forward exchange contracts are held) are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus/deficit, except when deferred in equity as qualifying cash flow hedges.

1.10 Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables, and creditors and other payables, which are stated on a GST inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position;

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows;

Commitments and contingencies are disclosed exclusive of GST.

1.11 Budget figures

The 2025 budget figures are those approved by the council in its 2024/2034 Amended Long Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

1.12 Critical accounting estimates and assumptions

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

Council and group investment property and owner occupied property (land and buildings) are revalued annually by independent valuers. The fair value of the investment properties is based on the market values, being the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction. Due to the relatively low level of recent transactions in some areas, these valuations are inherently subjective. The estimates and assumptions that have a significant risk of causing a material adjustment to the fair value of investment property and owner occupied property are provided in Notes 11 and 13 respectively.

Council's infrastructure assets are revalued by an independent valuer at regular intervals, with the most recent infrastructure valuation, undertaken in 2023. There are a number of estimates and assumptions exercised when valuing the individual elements (stop banks, floodgates, spillways) of infrastructure assets, such as estimating the age, condition, optimisation and remaining life of each element. A comparison of the carrying value of infrastructure assets and the fair value of infrastructure assets using market-based evidence is undertaken annually. In assessing generic market changes there is inherent uncertainty, and actual results may vary from estimates and these variations may be significantly more or less favourable than assumed depending on the asset class in question. Further detail is provided in Note 13.

Council's forestry assets are revalued annually by an independent valuer. There are a number of estimates and assumptions exercised when valuing forestry assets such as estimating the discount rates to determine future tree crop cash flows. Further detail is provided in Note 15.

The estimation of the useful lives of assets has been predominantly based on historical experience. Useful lives are reviewed on an annual basis and adjustments are made when considered necessary.

Marsden Maritime Holdings Limited has determined that it is appropriate to only recognise tax losses in the financial statements to a level that directly offsets the deferred tax liability. Further detail is provide in Note 5.

Council's Convertible Notes held (financial assets) are revalued at reporting date by an independent valuer. The fair value at reporting date is determined using a binomial valuation model which requires inputs including share price volatility, risk-free interest rates and discount rates. Further detail is provided in Note 24.

1.13 Climate Change

In preparing the parent and group financial statements, council has considered the impact of climate change including climate change scenarios on the estimates and judgments used in preparing the financial statements.

The following impacts were assessed in the financial statements:

- The impact of climate change on the residual values, useful life, and indication of impairment of infrastructure Assets in Note 13.

It is reasonable to expect that for the year ended 30 June 2025 there is no material impact on financial reporting judgements and estimates arising from climate change, and as a result the valuations of assets and liabilities have not been significantly impacted by climate change to the point where it would qualitatively influence stakeholders' decisions.

1.14 Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2025.

Council's investment in Northport Group Limited has been treated as a Joint arrangement classified as a Joint venture as:

- It is considered no single party holds unilateral control, and rather only a single combination of two or more parties must always vote together (under contractual arrangement) for decisions to be passed with respect to Hold-Co Limited's relevant activities, and
- The joint investees have access to, and only to, the net assets of the joint arrangement.

RSHL was considered an associate of council in the prior year as a member of Council's executive leadership team was on the Board of Directors of Regional Software Holdings Limited, and as such it was considered that council had significant influence over the operating and financial policies of RSHL. Following the resignation of council's executive leadership team member, it was considered there was a loss of significant influence and as such the council's investment in RSHL was reclassified from an investment in associate to a financial asset during the reporting year.

Councils' investment in Northland Inc. Limited has been treated as an associate as it is considered that council holds significant influence over the financial and operating policies of Northland Inc. Limited due to the fact that council shares joint control of Northland Inc. Limited with Kaipara District Council (25%), Far North District Council (25%) and Whangarei District Council (25%).

Notes to the financial statements

Note 1: Summary revenue and expenditure for groups of activities

Accounting policy

Northland Regional Council has derived the cost of service for each significant activity of the council using the cost allocation system outlined below. Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity. Direct costs are charged directly to significant activities. Indirect costs are charged to significant operating activities using appropriate cost drivers such as staff numbers. There have been no changes to the cost allocation methodology during the year.

Breakdown of summary revenue and expenditure for group of activities:

	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000
Revenue			
Community Resilience	21,660	21,087	19,772
Natural Environment	41,284	37,638	38,462
River Management	8,548	9,469	8,199
Regional Leadership	42,475	38,962	38,083
Total activity revenue and rates as per activity funding impact statements	**113,967**	**107,156**	**104,516**
Internal charges and overheads recovered	(16,698)	(15,724)	(13,889)
Other gains not attributable to an activity	120,727	125,553	478
Total revenue as per statement of comprehensive revenue and expense	**217,996**	**216,984**	**91,105**
Expenses			
Community Resilience	14,504	15,972	12,626
Natural Environment	47,825	45,161	44,819
River Management	5,123	2,534	3,426
Regional Leadership	32,895	33,965	30,201
Total activity expenses as per activity funding impact statements	**100,347**	**97,632**	**91,072**
Internal charges and overheads recovered	(16,698)	(15,724)	(13,889)
Other expenses not attributable to an activity	1,000	7,828	3,356
Depreciation and amortisation	2,176	2,442	2,182
Total expenses as per statement of comprehensive revenue and expense	**86,825**	**92,177**	**82,721**

BREAKDOWN OF DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY	Council 30-Jun-25 $000	Amended Long Term Plan 30-Jun-25 $000	Council 30-Jun-24 $000
Community Resilience	284	383	207
Natural Environment	631	596	719
River Management	356	596	288
Regional Leadership	905	867	968
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	**2,176**	**2,442**	**2,182**

Note 2: Revenue

Accounting policy

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

Rates revenue: Rates are set annually by a resolution of council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised and brought to account when the rates are payable based on the council's best estimate of what is expected to be collected. Rate penalties arising from late payment are recognised as revenue when rates become overdue. Rates remissions are recognised as a reduction of rates revenue when the council has received an application that satisfies its rates remission policy. These transactions are classified as non-exchange transactions.

Fees and charges: Fees and charges are recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services provided. The majority of this type of revenue is exchange transactions.

Grants and subsidies: Grants and subsidies are recognised as revenue when the primary conditions of entitlement have been met. These are non-exchange revenue transactions. Where a transfer is subject to conditions that, if unfulfilled, require the return of transferred resources, council recognises a liability until the condition is fulfilled.

Sales of goods: Revenue from the sale of goods is recognised when a product is sold to a customer.

Interest: Interest income is recognised using the effective interest method.

Other revenue – Dividends: Dividends are recognised when the right to receive payment has been established. Dividend income is recorded at the cash amount received, being net of taxation imputation credits.

Rental revenue: Rental revenue from investment property is recognised in the surplus or deficit on a straight-line basis over the term of the lease. Any short term rent relief provided is fully recognised in the period in which it occurs.

Funds collected for other organisations: Funds are collected for other organisations, including central government. Any funds held at balance date are included in term and current liabilities. Amounts collected on behalf of third parties are not recognised as revenue, except for the commissions or fees earned.

Vested assets: Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in the council are recognised as revenue when the control over the asset is obtained.

Infringement fees and fines: Infringement fees and fines are recognised when the infringement notice is issued.

Externally managed investment fund gains: Externally managed investment funds are measured at fair value, and any gains or losses on re-measurement are recognised in the surplus or deficit.

2(i) Rates remission, penalties, early payment discounts

Rates revenue is shown net of rates remissions and postponements. The Northland Regional Council's rates remission policies allow it to remit approved rates as per the Rates Remission Policies of the Territorial Authorities that collect Northland Regional Council's rates on its behalf.

2(ii) Breakdown of other revenue

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Rental revenue from investment properties	4,321	4,327	13,257	12,817
Dividend revenue - Marsden Maritime Holdings Limited	1,273	2,989	-	-
Sundry revenue	586	137	586	137
Total other revenue	**6,180**	**7,453**	**13,843**	**12,954**

Operating leases as lessor

The future aggregate minimum lease payments to be collected under non-cancellable operating leases at year end are as follows:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Not later than one year	3,278	3,175	3,278	7,985
Later than one year and not later than five years	3,921	6,080	3,921	16,499
Later than five years	2,743	2,747	2,743	9,391
Total non-cancellable operating leases	**9,942**	**12,002**	**9,942**	**33,875**

Operating leases relate to investment properties owned by the Council. The majority (in terms of numbers) of council's investment property portfolio is made up of leasehold properties. These leasehold properties have perpetual lease terms of 20 or 21 years. The lessee has the option to renew the lease at the completion of each term. All leases contain market review clauses at varying cycles or upon renewal. The lessee does not have a right to purchase the property at the expiry of the lease. Council has four residential properties with fixed or periodic tenancies and owns 36 freehold commercial properties plus 8 that are owner occupied. 10 of the commercial properties are vacant and 6 of these are under redevelopment. The remaining properties have monthly or no lease terms in place.

No contingent rents have been recognised during the year.

2(iii) Breakdown of other gains:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Gain on revaluation of investment property	11	3,422	-	5,365	-
Gain on revaluation of forestry assets	15	683	88	683	88
Gain on disposal of forestry carbon credits		218	-	218	-
Gain on disposal of property, plant and equipment		58	365	68	388
Net Gain on derecognition of subsidiary		116,173	-	37,500	-
Total non-financial instruments gains		**120,554**	**453**	**43,834**	**476**
Externally Managed Investment Funds		5,963	5,074	5,963	5,074
Gain on fair value adjustment of financial assets		137	-	279	2
Reversal of impairment		36	25	36	25
Total financial instruments gains		**6,136**	**5,099**	**6,278**	**5,101**
Total other gains		**126,690**	**5,552**	**50,112**	**5,577**

2(iv) Breakdown of subsidies and grants

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Central government ministries and departments		7,295	7,660	7,295	7,660
Territorial local authorities		5,162	5,788	5,162	5,788
National infrastructure Funding and Financing Limited		4,610	1,695	4,610	1,695
NZ Transport Agency Waka Kotahi		2,792	2,891	2,792	2,891
Predator Free 2050		1,537	2,951	1,537	2,951
National Emergency Management Agency		-	1,037	-	1,037
Other subsidies and grants		234	195	234	1,890
Total other subsidies and grants		**21,630**	**22,217**	**21,630**	**22,217**

There are no unfulfilled conditions or other contingencies attached to subsidies and grants recognised.

Note 3: Personnel costs

Accounting policy

Personnel costs includes salaries, wages, leave and other employee-earned compensation. Employer contributions to KiwiSaver and the National Provident Fund; Pension National Scheme, and Lump Sum National scheme are accounted for as defined contribution plans and are recognised in the surplus or deficit as incurred.

Breakdown of personnel costs and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Salaries and wages		30,633	27,142	33,033	29,279
Employer contributions to defined contribution plans		1,039	882	1,039	882
Increase/(decrease) in employee benefit liabilities	18	421	44	755	83
Total personnel costs		**32,093**	**28,068**	34,827	30,244

Chief Executive remuneration

The Chief Executive of the council was appointed in accordance with section 42 of the Local Government Act.

The total remuneration (including any non financial benefits) paid or payable for the year ended 30 June 2025 to the Chief Executive was $395,527 (2024: $378,743).

	Council 30-Jun-25 $000	Council 30-Jun-24 $000
Salary	371	355
Vehicle - FBT cost	9	9
Kiwisaver employer contribution	15	14
Memberships and allowances	1	1
Total remuneration	**396**	**379**

Elected representatives

Elected representatives received the following remuneration:

	Note	Salary 30-Jun-25 $000	Non-salary 30-Jun-25 $000	Total Council Remuneration 30-Jun-25 $000	Total Council Remuneration 30-Jun-24 $000
Geoff Crawford, Chair		139	5	144	110
Tui Shortland, Deputy Chair		87	1	88	106
Jack Craw		74	2	76	79
John Blackwell		74	11	85	83
Joe Carr		75	8	83	87
Peter-Lucas Jones		73	0	73	76
Amy Macdonald		73	5	78	76
Marty Robinson		73	10	83	82
Rick Stolwerk		74	4	78	80
Total elected representatives' remuneration	4	**742**	**46**	**788**	**779**

With the enactment of the Local Government Act 2002, the Remuneration Authority is responsible for setting the remuneration levels for elected members. The council monetary remuneration (salary) detail above was determined by the Remuneration Authority. Councillors are able to claim an allowance for mileage, child care, travel time and communications. These allowances are set by the Remuneration Authority and paid to Councillors based on claims approved by the council chair and chief executive.

Council employee remuneration by band

The annual remuneration by band for council employees as at 30 June 2025 is detailed below. For employees receiving remuneration of $60,000 or more, they are grouped into $20,000 bands as presented below. For any $20,000 bands with five or fewer employees in the band, they are combined upwards with the next banding as stipulated in the Local Government Act 2002.

Total annual remuneration by band for employees at 30 June:	Council 30-Jun-25	Council 30-Jun-24
< $60,000	56	53
$60,000 - $79,999	82	101
$80,000 - $99,999	130	114
$100,000 - $119,999	60	45
$120,000 - $139,999	20	12
$140,000 - $159,999	8	7
$160,000 - $219,999	6	9
$220,000 - $239,999	6	1
$240,000 - $279,999	2	2
$340,000 - $399,999	1	1
Total employees	**371**	**345**

Total remuneration includes any non financial benefits provided to employees.

At 30 June 2025, the council employed 296 (2024: 288) full time employees with the balance of staff representing 35.92 (2024: 27.12) full time equivalent employees. A full time employee is determined on the basis of a 36 hour working week.

Severance payments

For the year ending 30 June 2025, the council made one severance payment to an employee of $25,000 (2024: one payment of $8,000).

Note 4: Other expenses

Accounting Policy

Expenditure is recognised when goods and services have been received.

Grant expenditure: Non-discretionary grants are those grants that are awarded when the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where the council has no obligation to award the grant on receipt of the grant application and are recognised as expenditure when the grant conditions have been satisfied.

Operating leases: An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. All the leases of the council and group are operating leases.

Breakdown of other expenses and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Fees for audit firms' services		346	394	477	516
Directors'/Councillors' fees and trustee remuneration	3	788	779	1,207	1,170
Donations		1,314	1,982	1,314	1,984
Operating lease payments		295	340	305	355
Current year rates written off		169	127	169	127
Impairment of receivables	7	1,032	1,090	1,085	1,069
Operating grants to Northland Inc. Limited		2,245	1,972	2,245	1,972
Other payments to Northland Inc. Limited		421	368	421	368
Payments to Regional Software Holdings Limited		778	959	778	959
Loss on disposal of investment property	11	755	-	755	-
Loss on fair value adjustment of financial investments		-	126	-	126
Loss on revaluation of investment property assets	11	-	3,128	-	6,152
Loss on revaluation of forestry carbon credit assets held for sale	9	-	86	-	86
Other operating expenses		43,136	40,267	54,068	46,182
Total other expenses		**51,279**	**51,619**	**62,824**	**61,034**

The 2023-24 loss on revaluation of investment property and forestry carbon credits resulted from the annual revaluation of these investment assets.

Operating leases as lessee

The future aggregate minimum lease payments payable under non-cancellation operating leases existing at year end are as follows:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Not later than one year	288	333	288	333
Later than one year and not later than five years	420	376	420	376
Later than five years	616	-	616	-
Total non-cancellable operating leases	**1,324**	**709**	**1,324**	**709**

Breakdown of fees for audit firms' services

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Audit and review of the financial report		**253**	**226**	320	348
Audit or review related services					
Audit of the 2024-34 Long Term Plan & Amendments		40	115	40	115
Assurance engagements related to council's debenture trust deed		13	12	13	12
		53	**127**	**53**	**127**
Other services*		40	41	104	41
Total fees for audit firms' services		**346**	**394**	**477**	**516**

* The fees paid to the councils auditors for Other services for the year ending 30 June 2025 were $31,500 for forensic risk and integrity analytics and $9,000 for an internal audit maturity assessment.

Council acts as an agent in relation to the Kaipara Moana Remediation Programme (KMRP) and accordingly costs and funding are not recorded in Council's financial statements. However for completeness we note councils auditors undertake an agreed procedures engagement for the KMRP and the fee for 2024-25 is expected to be approximately $15,000.

The fees paid to the Marsden Maritime Holdings Limited auditors for Other services were for an agreed upon procedure engagement in respect to a special shareholders meeting.

Note 5: Taxation

Accounting policy

The income tax expense includes both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to items recognised in other comprehensive revenue and expense or directly in equity.

Breakdown of taxation and further information:

	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Components of tax expense		
Current tax expense/(credit)	183	188
Deferred tax asset	(297)	300
Tax expense	**(114)**	**488**
Relationship between tax expense and accounting surplus		
Surplus/(deficit) before tax	**55,996**	**10,292**
Taxation at 28%	**15,678**	**2,882**
Plus (less) tax effect of:		
Non-deductible expenditure	-	-
Imputation dividend receipts	(1,575)	(1,977)
Non-taxable income	(13,385)	(567)
Tax paid on joint venture company earnings	(810)	(248)
Tax depreciation on building	-	301
Prior year adjustment	-	44
Carried forward losses derecognised/(recognised)	(22)	53
Tax expense/(benefit)	**(114)**	**488**
Deferred tax		
Balance at 1 July	(374)	(73)
Items charged to profit and loss	297	(301)
Deferred tax derecognised upon disposal of subsidiary	77	-
Balance at 30 June	**-**	**(374)**
Represented by:		
Investment property	-	(2,593)
Property plant and equipment	-	(496)
Financial instruments	-	(106)
Provisions	-	35
Deferred tax liability	**-**	**(3,160)**
Deferred tax asset (tax effect of losses carried forward)	-	2,786
Net deferred tax asset / (liability)	**-**	**(374)**

Council's net income subject to income tax consists of its assessable income net of related expenses derived from the Marsden Maritime Holdings Group prior to derecognition, and any other council controlled organisations. All other income currently derived by the Council is exempt from income tax.

A deferred tax asset has not been recognised in relation to tax losses in council of $15,348,270 (2024: $15,345,995) as council considers it unlikely that the benefit of these losses will be utilised against future taxable income.

The ability to claim tax depreciation deductions on buildings with an estimated useful life of 50 years or more has been removed from the start of the 2024-25 income tax year. Marsden Maritime Holdings Limited reviewed the assets that may be included in this category and has provided for all such buildings that meet the IRD's definition of buildings and this resulted in an increase to tax expense and a movement in deferred tax of $300,543 in the prior year period.

Note 6: Cash and Cash Equivalents

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Cash on hand and at trading banks *	8,469	1,666	8,469	1,879
Cash on hand and at trading banks held as part of the Long Term Fund	55	26	55	26
Term deposits, held as part of the Short Term Fund - with maturities of less than 3 months acquisition	3,000	8,432	3,000	8,432
Term deposits, held as part of the Long Term Fund - with maturities of less than 3 months acquisition	-	26	-	26
Total cash and cash equivalents	**11,524**	**10,150**	**11,524**	**10,363**

Although cash and cash equivalents at year end are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

* The council holds unspent funds included in cash on hand and at trading banks of $83,552 relating to marine farm bonds that are subject to restrictions (2024: $83,552). At year end there was no cash or cash equivalents relating to retention monies withheld under commercial construction contracts (2024: $0).

Note 7: Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (CL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

» when remitted in accordance with the Council's rates remission policy; and

» in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off:

» when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than six years overdue.

Current and Non current prepayments comprise significant items of expenditure having a benefit to more than one accounting period and are expensed over the period to which they relate.

Breakdown of receivables and further information

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
CURRENT PORTION				
Rates receivables	9,409	7,649	9,409	7,649
Other receivables	3,844	7,069	3,844	7,828
GST receivable	493	1,006	493	1,072
Receivables from subsidiaries and associates	-	10	-	-
Prepayments	1,058	863	1,058	1,019
Gross debtors and other receivables	14,804	16,597	14,804	17,568
Less allowance for credit losses	(6,316)	(5,794)	(6,316)	(5,829)
Total current receivables	**8,488**	**10,803**	**8,488**	**11,739**
NON CURRENT PORTION				
Prepayments	142	-	142	-
Total Non Current Receivables	**142**	**-**	**142**	**-**
Total Receivables	**8,630**	**10,803**	**8,630**	**11,739**
Total receivables comprise:				
Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements and fees and charges that are partly subsidised by rates	6,625	7,149	6,625	7,361
Receivables from exchange transactions - this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	2,005	3,654	2,005	4,378
	8,630	**10,803**	**8,630**	**11,739**

Expected Credit Losses (ECL)

The ECL rates applicable for other receivables and rates receivables at 30 June 2025 are based on the payment profile of revenue on credit over the past 12 months for other receivables, and three years for rates receivables, at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant.

The allowance for credit losses based on council and the group's credit loss matrix is as follows:

			Current receivable past due		
	1 to 30 days	30 to 60 days	60 to 90 days	More than 90 days	Total
Council - 30 June 2025					
Rates receivable					
Expected credit loss rate	0.0%	-	-	76.6%	-
Gross receivable amount ($,000)	1,491	-	-	7,918	**9,409**
Lifetime ECL ($,000)	-	-	-	6,066	**6,066**
Other receivable					
Expected credit loss rate	0.22%	0.35%	1.5%	100%	-
Gross receivable amount ($,000)	3,404	63	136	241	**3,844**
Lifetime ECL ($,000)	7	0	2	241	**250**
Total Rates and Other Receivable Lifetime ECL ($,000)	**7**	**0**	**2**	**6,307**	**6,316**
Council - 30 June 2024					
Rates receivable					

Expected credit loss rate	0.0%	-	-	79.3%	-
Gross receivable amount ($,000)	1,051	-	-	6,598	**7,649**
Lifetime ECL ($,000)	-	-	-	5,233	**5,233**
Other receivable					
Expected credit loss rate	0.22%	0.35%	65%	94%	-
Gross receivable amount ($,000)	5,793	521	21	564	**7,079**
Lifetime ECL ($,000)	13	2	14	532	**561**
Total Rates and Other Receivable Lifetime ECL ($,000)	**13**	**2**	**14**	**5,765**	**5,794**
Group - 30 June 2025					
Rates receivable					
Expected credit loss rate	0.0%	0.0%	0.0%	76.6%	-
Gross receivable amount ($,000)	1,491	-	-	7,918	**9,409**
Lifetime ECL ($,000)	-	-	-	6,066	**6,066**
Other receivable					
Expected credit loss rate	0.22%	0.35%	2%	100%	-
Gross receivable amount ($,000)	3,404	63	136	241	**3,844**
Lifetime ECL ($,000)	7	0	2	241	**250**
Total Rates and Other Receivable Lifetime ECL ($,000)	**7**	**0**	**2**	**6,307**	**6,316**
Group - 30 June 2024					
Rates receivable					
Expected credit loss rate	0.0%	0.0%	0.0%	79.3%	-
Gross receivable amount ($,000)	1,051	-	-	6,598	**7,649**
Lifetime ECL ($,000)	-	-	-	5,233	**5,233**
Other receivable					
Expected credit loss rate	0.20%	0.35%	65%	95%	-
Gross receivable amount ($,000)	6,687	521	21	600	**7,828**
Lifetime ECL ($,000)	13	2	14	567	**596**
Total Rates and Other Receivable Lifetime ECL ($,000)	**13**	**2**	**14**	**5,800**	**5,829**

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Movements in the allowance for credit losses are as follows:					
Opening balances for credit losses at 1 July		5,794	4,931	5,829	4,987
Additional provisions made during the year	4	1,032	1,090	1,085	1,069
Derecognition of credit losses on disposal of subsidiary		-	-	(88)	-
Rate arrear receivables written off during the year		(217)	(220)	(217)	(220)
Other receivables written off during the year		(293)	(7)	(293)	(7)
Balance at 30 June		**6,316**	**5,794**	**6,316**	**5,829**

The council holds no collateral as security or any other credit enhancements over receivables that are either past due or impaired.

Note 8: Inventory

Accounting policy

Inventories such (as stores, chemicals and materials) held for distribution or for use in the provision of goods and services that are not supplied on a commercial basis are measured at the lower of cost, or cost adjusted when applicable, for any loss of service potential.

Inventories held for use in the provision of goods and services on a commercial basis are measured at the lower of cost and net realisable value.

Breakdown of inventory and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Stores and materials		304	361	304	445
		304	**361**	**304**	**445**

There has been no write-down of inventory. No inventory is pledged as security for liabilities.

Note 9: Assets held for sale

Accounting policy

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Investment property classified as assets held for sale are recognised at fair value. Any gains/losses on investment property held for sale are recognised in surplus/deficit.

Breakdown of assets held for sale and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Balance at 1 July		**857**	**0**	**857**	**0**
Transfer of forestry carbon credits from(to) intangible assets	14	-	943	-	943
Emission Trading Scheme NZU's sold during the year		(857)		(857)	
Fair value (loss) on revaluation of forestry carbon credits	4	-	(86)	-	(86)
Total assets held for sale		**-**	**857**	**-**	**857**

During the year, the council sold 17,460 carbon credits (NZU'S) at a value of $63 per NZU less associated selling costs of $24,619 for a gain on sale of $218,163 (refer note 2(iii)).

Note 10: Other financial assets

Accounting policy

Other financial assets are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through surplus and deficit (FVTSD);
- fair value through other comprehensive revenue and expense (FVTOCRE).

Transaction costs are included in the value of the financial asset at initial recognition unless the it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the council and group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Instruments in this category include term deposits and loans. Where applicable any interest accrued is included as a current receivable.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Councils short-term and Long-term managed fund are portfolio's of financial assets that are actively traded with the intention of making profits. Therefore, after initial recognition, the managed fund is measured at fair value, with gains and losses recognised in the surplus or deficit.

Council's holding of Convertible Notes represent hybrid contracts that are required to be measured at FVTSD in their entirety.

Council's interest in Regional Software Holdings Limited represents a financial asset that the council has elected to classify and measure as at FVTSD (refer to note 12(ii)).

Breakdown of other financial assets and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
CURRENT PORTION					
Term deposits, and other securities *		5,307	2,036	5,307	2,036
Term deposits held as part of the Short Term Fund		2,984	1,945	2,984	1,945
Term deposits held as part of the Long Term Fund		-	135	-	135
Short term investment fund		3,274	2,283	3,274	2,283
Total current portion		**11,565**	**6,399**	**11,565**	**6,399**
NON-CURRENT PORTION					
Term deposits and other securities		-	-	-	237
Borrower notes		2,261	526	2,261	526
Loan to Joint Venture company	12(i)	34,133	-	34,133	-
Other loans		1,316	1,226	1,316	1,226
Convertible notes		4,990	-	4,990	-
Long Term Fund		59,816	65,383	59,816	65,383
Total non-current portion		**102,516**	**67,135**	**102,516**	**67,372**
TOTAL OTHER FINANCIAL ASSETS		**114,081**	**75,534**	**114,081**	**73,771**

* includes $151,196 (2024: $227,171) of term deposits held as retentions under commercial construction contracts and subject to restrictions.

Reconciliation of the carrying value of Other Loans:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Opening balance		**1,226**	**-**	**1,226**	**-**
New loans granted during the year		-	1,350	-	1,350
Fair value gain/(loss) on valuation		85	(126)	85	(126)
Expected credit loss allowance recognised during the year		-	(17)	-	(17)
Unwind of discount and interest charged		5	18	5	18
Closing balance		**1,316**	**1,226**	**1,316**	**1,226**

Reconciliation of the carrying value of Convertible Notes:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Opening balance		**0**	**-**	**0**	**-**
Subscriptions during the year		5,000	-	5,000	-
Fair value gain/(loss) on valuation		52	-	52	-
Expected credit loss allowance recognised during the year		(62)	-	(62)	-
Closing balance		**4,990**	**-**	**4,990**	**-**

Term deposits

The carrying amount of term deposits approximates their fair value. No Expected Credit losses have been recognised for term deposits as all of councils Term deposits are held with banks that have a long-term AA- investment grade credit rating, which indicates the bank has a very strong capacity to meet its financial commitments.

Loan to Joint Venture company

The council has a shareholder's loan to Northport Group Limited (NGL) with an interest rate fixed in advance on an annual basis, using a mid-market swap rate for an interest rate swap with a term of 1 year plus a margin that is 1% above the highest margin applicable to NGL's banking facilities. An annual review of the interest rate is carried out at the end of the financial year. The Term of the loan is of an evergreen nature in that it is continually extended annually until the Borrower determines not to notify an extension.

The interest rate on the loan to NGL for the year ended 30 June 2025 was 6.09% (2024: $n/a).

Other loans

Council has a loan issued to Te Tai Tokerau Water Trust (TTTWT) for $1,350,000 to support the construction of the Te Waihekeora water storage reservoir and associated water distribution network.
The interest rate on the loan to TTTWT is 6.3% per annum, paid quarterly.

The carrying amount of the amount drawn down by TTTWT is $1,316,463 reflecting a non-cash fair value adjustment of $16,932 to account for the fact the interest rate is below an assessed market interest rate of 6.81% (2024: 9.0%) being 350 basis points above the 3 year Swap rate at year end. The fair value adjustment of $16,932 will be unwound through interest revenue until the repayment date. In addition, an estimated credit loss (ECL) of $16,605 has been recognised on the credit facility amount drawn down by TTTWT to reflect the Reserve Bank of New Zealand's non-performing loan ratio applicable to small and medium enterprises.

Convertible Notes

The Council holds Convertible Notes with a face value of $5,000,000 with Mid North Water Company Limited. The Convertible Notes have a maturity date of November 2029 and are convertible into ordinary shares at any time prior to maturity at the Council's option.

The convertible Notes attract 6.00% per annum, paid quarterly.

The carrying value of the Convertible Notes is $4,990,417 reflecting a non-cash fair value increase of $51,917. Refer to Note 24 for more detail.

In addition, an ECL of $61,500 has been recognised on the convertible notes issued to the Mid North Water Company Limited to reflect the Reserve Bank of New Zealand's non-performing loan ratio applicable to small and medium enterprises.

Investment in Regional Software Holdings

From November 2024, Council's interest in Regional Software Holdings Limited represents a financial asset, and is presented within Investment in Council Controlled Organisations (refer to note 12(ii)).

Externally managed investment funds

Eriksen and Associates Limited are appointed as council's investment advisors for 2 externally managed investment funds (2024: 2) providing independent overarching investment guidance for these funds. Council's externally managed funds are classified as financial assets at fair value through surplus or deficit as Eriksen and Associates Limited evaluate and report the performance of each fund on a fair value basis (monthly) in accordance with council's Statement of Investment Policy and Objectives (SIPO). This designation is consistent with the investment strategy in council's finance strategy, as the managed funds are managed prudently against the SIPO with a view to prudently maximising and managing returns over the long term within a diverse portfolio that preserves and maintains the capital value of each fund. The Long Term Fund is presented as non current as council does not expect to dispose of it within 12 months of the balance date.

The fair value and carrying value of each fund is calculated using the net market values based upon the listed market values at Balance Date adjusted for any realisation expenses.

Investment commitments

Breakdown of fund managers with uncalled committed investments at year end	Council 30-Jun-25 $000	Council 30-Jun-24 $000
Continuity Capital Fund (No.2)	50	70
Continuity Capital Fund (No.4)	104	140
Continuity Capital Fund (No.5)	502	720
Continuity Capital Fund (No.6)	560	900
Continuity Capital Fund (No.7)	691	1,418
Continuity Capital Fund (No.8)	900	-
CPE Capital (No.9)	313	382
Direct Capital Fund (No.6)	364	1,047
Milford PE Fund (No.3)	365	365
MLC Private Equity fund (No.2)	150	151
MLC Private Equity fund (No.3)	47	98
MLC Private Equity fund (No.4)	1,943	2,181
Oriens Fund (No.2)	280	420
Pioneer Capital Partners Fund (No.3)	16	44
Pioneer Capital Partners Fund (No.4)	284	345
	6,569	**8,281**

Externally managed investment fund performance (12 month return to 30 June 2025, net of fees)

	Council and Consolidated 30-Jun-25	Council and Consolidated 30-Jun-24
Long Term fund	8.90%	8.10%
Short Term fund	6.30%	5.80%

Weighted average effective interest rates

	Council and Consolidated 30-Jun-25	Council and Consolidated 30-Jun-24
Term deposits	4.77%	5.55%
Other securities	4.75%	4.02%

Note 11: Investment property

Accounting policy

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at balance date. Fair Value is the price at which a property could be exchanged by knowledgeable and willing parties in an arm's length transaction. Fair Value is determined annually by the valuation undertaken by independent valuers that hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment properties being valued. Values for investment properties valued under PBE IPSAS 16 have been assessed primarily on a market related basis where sufficient data is available. For commercial properties, rentals, investment return rates and land improvement levels have been related directly to a wide range of Northland sales evidence, while for rural blocks direct sales analysis has been used.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Breakdown of investment property and further information:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Balance at 1 July		**81,994**	**84,153**	**191,754**	**194,100**
Additions		146	969	2,864	3,811
Disposals	4	(755)	-	(755)	-
Transfers from/(to) property plant and equipment	13	-	-	(2,960)	15
Movement in lease incentives		-	-	(30)	(20)
Fair value gains/(losses) on valuation	2(iii)/4	3,422	(3,128)	5,365	(6,152)
Investment property derecognised on disposal of subsidiary		-	-	(111,431)	-
Balance at 30 June		**84,807**	**81,994**	**84,807**	**191,754**

Investment properties valuation - Council

The annual valuation of council's investment properties was performed by CBRE Limited (2024: CBRE Limited). The valuation is effective as at 30 June 2025.

During the year two properties with a combined value of $9,170,000 were reclassified from lessee interest investment properties to freehold investment properties and two freehold investment buildings with a combined value of $755,000 were demolished.

At year end council's investment properties are valued at fair value comprising of ground leases of $26,244,000 (2024: $35,071,000); and freehold, and lessee's interest investment properties (land, buildings and improvements) of $58,562,666 (2024: $46,922,666).

The fair value of council's investment property has been determined in accordance with PBE IPSAS16 using the income capitalisation method for freehold properties and a commercial development property, the discounted cashflow method for leasehold properties, the market based comparison approach for two properties in the vicinity of the Kotuku Street Retention Dam. These methods are based upon assumptions including capitalisation rates, future ground lease rental rates, future land value, and an appropriate discount rate.

Capitalisation rate range 5.75% to 10.00% (2024: 5.75% to 10.00%)

Future market rents

+5.50% for five-yearly ground lease rent reviews (2024: 5.60%)

+5.75% for seven-yearly ground lease rent reviews (2024: 5.85%)

+6.90% for 21-yearly ground lease rent reviews (2024: 6.90%)

Annual inflation on land values: 1.75% (2024: 1.75%)

Discount rate: 7.25% (2024: 7.25%)

Capital Commitments

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Investment Property	-	-	-	810
Total capital commitments	**-**	**-**	**-**	**810**

Note 12(i): Investment in Subsidiaries (excluding council controlled organisations) and joint venture companies

Accounting policy

Investment in Subsidiaries ('controlled entities')

Investment in subsidiaries is carried at cost in the council's parent entity financial statements. Information about council's subsidiaries and consolidated financial statements is provided in Note 1.3.1 within the Basis of Consolidation accounting policy.

At the time council ceases to control a subsidiary the carrying values of the subsidiary's assets, liabilities, and any non-controlling interest within equity are derecognised, with a gain or loss on deconsolidation, including the initial recognition and measurement of any retained interest in the former subsidiary, recognised in the surplus or deficit.

Where there is a retained interest in a former subsidiary, the initial carrying value is measured in the council's parent entity financial statements at fair value at the date control is lost.

Upon deconsolidation any amounts relating to the subsidiary that have previously been recognised in other comprehensive revenue and expense (and accumulated within reserves in Equity) are:

- transferred to surplus or deficit if they would ordinarily be reclassified to surplus or deficit upon disposal.
- transferred directly to Accumulated funds component of council's equity if they would not ordinarily be reclassified to surplus or deficit upon disposal.

Post-deconsolidation, any remaining interest in a former subsidiary will be accounted for using the equity method where that interest represents an interest in a Joint Venture or Associate.

Investment in Joint Ventures and Associates

A Joint venture is a joint arrangement where there is only a single combination of two or more parties that must agree under contractual arrangement in order to make decisions regarding an entity's relevant activities and the joint investees have rights to, and only to, the residual net assets of the joint arrangement.

An associate is an entity over which the council has significant influence but neither control or joint control of the entity. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates and joint ventures are accounted for using the equity method in the parent and group financial statements. The investment is initially recognised at cost and the carrying amount in the parent entity and group financial statements is increased or decreased to recognise the share of the surplus or deficit of the joint venture or associate after the date significant influence was obtained.

Per above, where a Joint venture or Associate was previously a subsidiary of the Group, the initial carrying of the value retained interest is measured at fair value.

Where necessary, adjustments are made to the financial statements of associates and joint ventures to bring their accounting policies in line with the group.

The group and council held investments in the following joint ventures and associates as at 30 June:

Entity Name	Held by	Relationship	Ownership/Control	
			2025	2024
North Port Limited	Group	Joint Venture	-	50.0%
Northport Group Limited	Council	Joint Venture	43.00%	-
Northland Inc. Limited	Council	Associate (CCO)	25.00%	33.0%
Regional Software Holdings Limited	Council	Associate (CCO)	-	16.75%

Breakdown of investments in subsidiary (excluding CCOs) and joint venture companies

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Investment in Subsidiary		-	7,828	-	-
Investment in Joint Ventures		130,638	-	130,638	54,581
Total investment in other entities		**130,638**	**8,234**	**130,638**	**54,581**

Investment in Subsidiaries

Activity during the 30 June 2025 reporting period

In February 2025 a consortium comprising the Council, Port of Tauranga and Tupu Tonu announced a conditional buy-out of the minority shareholders in Marsden Maritime Holding Limited (MMH). The buy-out transaction was completed on 26 June 2025, at which time control over the MMH as a subsidiary ceased.

MMH previously formed part of the consolidated group accounts and at the time that council lost its controlling interest in MMH, the carrying values of the MMHs assets, liabilities and non-controlling interest were derecognised, with the residual gain and loss on derecognition presented in Consolidated financial statements as Other Gains (Note 2(iii)).

Gain/(Loss) on derecognition of subsidiary

	Note	$000
Current assets		2,526
Non-current assets		203,800
Current liabilities		1,534
Non-current liabilities		42,065
Net Assets disposed at time of derecognition of subsidiary		**(162,727)**
Gain on initial recognition of retained interest in former subsidiary		124,000
Elimination of non controlling interest upon derecognition of subsidiary	20	76,227
Gain/(Loss) on derecognition of subsidiary recognised in the surplus/(deficit) of the Consolidated Financial Statements	2(iii)	**37,500**

Discontinued Operation

Marsden Maritime Holdings Limited was previously a subsidiary of council and formed part of the Consolidated Financial Statements. As Marsden Maritime Holdings Limited was derecognised as a subsidiary during the year, its results as a Discontinued operation are presented below:

	30-Jun-25 $000	30-Jun-24 $000
Comprehensive revenue and expense of Discontinued Operation		
Revenue	13,769	12,014
Operating expenses	(16,970)	(14,515)
Depreciation and amortisation	(581)	(562)
Share of associate and joint venture company surplus/(deficit)	8,519	7,946
Surplus/(Deficit) before tax	4,737	4,883
Income tax benefit/(expense)	114	(488)
Other comprehensive revenue and expense	2,131	(2,204)
Surplus/(deficit) for the period before loss in derecognition	**6,982**	**2,191**
Carrying values of net assets derecognised during the year		
Cash and cash equivalents	433	213
Current receivables	1,971	946
Inventory	122	87

Investment property	111,432	109,760
Investment in joint venture company	56,976	54,581
Other financial assets - current portion	378	616
Property, plant and equipment	25,103	28,734
Capital projects in progress	9,911	161
Payables and deferred revenue - current portion	(1,340)	(1,506)
Employee entitlements	(194)	(87)
Payables and deferred revenue - non current portion	(1,692)	(1,828)
Other financial liabilities - non current portion	(246)	-
Deferred tax liability	(77)	(374)
Borrowings	(40,050)	(33,440)
Net assets derecognised during the year	**162,727**	**157,863**
Cash flows from Discontinued Operation		
Cash flows from/(used) in operating activities	(601)	7,321
Cash flows from/(used) in investing activities	(3,414)	(3,094)
Cash flows from/(used) in financing activities	4,235	(4,086)
Net cash inflow/(outflow)	**220**	**141**

Investment in Joint Ventures

(i) As at 30 June 2025:

As per 1.3.2 of the Statement of Accounting Policies, the Council holds a 43% joint controlling shareholding in Northport Group Limited.

Summarised information of council's investment in joint venture company, Northport Group Limited is presented below

	Note	Council and Consolidated 30-Jun-25 $000	Council and Consolidated 30-Jun-24 $000
Opening carrying value of investment in Northport Group Ltd		-	-
Initial fair value of investment in Northport Group Ltd		124,000	-
Additional capital contribution to Northport Group Ltd		6,638	-
Shareholder loan to Northport Group Ltd		34,133	-
Share of after tax surplus		-	-
Dividends paid		-	-
Closing carrying value of investment in Northport Group Ltd		**164,771**	-
represented as:			
Loan to Joint Venture company	10	34,133	-
Investment in joint venture		130,638	-
Closing carrying value		**164,771**	-
Share of Northport Group Ltd net surplus			
Total Revenue		-	-
Total Expense		-	-
Total net surplus		-	-
Total share of Northport Group Ltd net surplus (43%)		-	-

(ii) As at 30 June 2024:

As per 1.3.2 of the Statement of Accounting Policies, the Group held a 50% joint controlling shareholding in Northport Limited, prior to derecognition of Marsden Maritime Holdings Limited as a subsidiary.

Summarised financial information of Northport Limited, is presented below:

	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Current assets	-	4,979
Non-current assets	-	158,451
Current liabilities	-	4,221
Non-current liabilities	-	47,455
Net assets	**-**	**111,754**
Group share of net assets (50%)	-	55,877
Other consolidation adjustments	-	(1,296)
Total Investment in joint venture company	**-**	**54,581**
Opening carrying value	54,581	57,185
Share of after tax surplus	8,519	7,946
Dividends paid	(5,625)	(7,061)
Share of land revaluation movement	(167)	(3,271)
Share of hedge reserve movement	(332)	(218)
Derecognition on investment in joint venture on disposal of subsidiary	(56,976)	-
Closing carrying value	**-**	**54,581**
Share of Joint venture company net surplus		
Revenue	43,112	40,722
Net surplus	17,038	15,892
Current period write back in respect of previous inter-entity asset sales	-	-
Total share of joint venture company net surplus (50%)	**8,519**	**7,946**

Note 12(ii): Investments in council-controlled organisations

Breakdown of investments in council-controlled organisations and further information:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Investment in Northland Inc Limited (Associate)	53	66	53	66
Investment in Regional Software Holdings Limited (Associate[1])	387	340	387	340
Total investments in council controlled organisations	**440**	**406**	**440**	**406**

1 - As detailed below, the Council ceased to have significant influence over Regional Software Holdings Limited from November 2024. From this date on, the investment in Regional Software Holdings Limited represents a financial asset at fair value through surplus and deficit.

Investment in Northland Inc Limited (Associate)

Northland Inc Limited is a Limited Company incorporated and registered under the Companies Act 1993 and is a council controlled organisation as defined in section 6 of the Local Government Act. Northland Inc Limited is an associate of council with a primary objective to develop the economy of Northland and review funding opportunities for the Investment and Growth Reserve.

Summarised financial information of Northland Inc Limited presented on a gross basis:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000
Current assets	1,735	2,465
Non-current assets	218	243
Current liabilities	1,742	2,508
Non-current liabilities	-	-
Net assets	**211**	**199**
Councils interest in associate*	25%	33%
Carrying amount of investment in associate (using Equity method)	**53**	**66**
Total revenue	5,686	6,042
Total expense	5,674	6,035
Total comprehensive revenue and expense	12	8

* During the year, the Council, reduced its shareholding in Northland Inc Limited from 33% to 25%. As a result of this transaction, at year end each of the regions four Councils hold an equal shareholding of 30 shares (25%).

Investment in Regional Software Holdings Limited

Regional Software Holdings Limited (RSHL) is a Limited Company incorporated and registered under the Companies Act 1993 and is a council controlled organisation as defined in section 6 of the Local Government Act. RSHL's primary objective is to provide a framework for collaboration between the shareholders across the regional sector, supporting the procurement or development of shared solutions in a manner that generates consistency and provides a more cost effective alternative than individual councils can achieve on their own.

RSHL was previously an associate of council as a member of council's executive leadership team was on the Board of Directors of Regional Software Holdings Limited, and as such it was considered that council had significant influence over the operating and financial policies of RSHL.

In the current year, however, there has been a change in the RSHL's board of directors such that the Council no longer has representation on the board of directors of RSHL as at November 2024, and it has been determined that council no longer has significant influence over the operating and financial policies of RSHL.

The council's investment in RSHL was previously accounted for in the group and parent financial statements using the equity method. Following the loss of significant influence as at the date of the resignation of the 'Council's' director from the board of RSHL in November 2024, the investment in RSHL was reclassified from an investment in associate to a financial investment in a CCO and is accounted for at fair value through surplus or deficit.

The Council continues to monitor its relationship with RSHL and will assess any future impacts on its financial statements.

Summarised financial information of Regional Software Holdings Ltd presented on a gross basis:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000
Current assets	-	6,499
Non-current assets	-	1,107
Current liabilities	-	2,403
Non-current liabilities	-	726
Net assets	**-**	**4,476**
Councils effective interest in associate**	-	12%
Investment in associate before impairment	-	520
Impairment in investment in Associate	-	(180)
Carrying amount of investment in associate (using Equity method)	**-**	**340**
Total revenue	4,901	13,225
Total expense	5,191	15,503
Prior period adjustment	638	2,379
Total comprehensive revenue and expense	**348**	**101**

** In November 2024, the investment in RSHL was reclassified from an investment in associate to a financial asset and is accounted for at fair value through surplus or deficit.

Note 13: Property, plant and equipment

Accounting policy

Property, plant and equipment consists of:

Operational assets – these include land, buildings, plant and equipment, vehicles and vessels.

Infrastructure assets – infrastructure assets are the assets that comprise the Awanui River flood management system and other river management schemes as they are developed, including stopbanks and floodgates.

Buildings and infrastructure assets are measured at fair value less accumulated depreciation. Forest land subject to the Emissions Trading Scheme is the land under the forestry asset and is valued at historical cost. All other land is measured at fair value.

All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Revaluation: Owner occupied freehold land and buildings and infrastructure assets are re-valued with sufficient regularity to ensure that their carrying value does not differ materially from fair value and at least every three years.

Net revaluation results: Net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be first recognised in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions: The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the council and exceeds $2000 (GST excl), and the cost of the item can be measured reliably. Capital projects in progress are recognised at cost less impairment and are not depreciated.

In most instances an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the council and group and the cost of the item can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Disposals: Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the surplus or deficit. When re-valued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation: Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation and amortisation rates of major classes of assets have been estimated as follows:

- Buildings	5-50 years 1-20%
- Plant, equipment, vehicles and vessels	2-100 years 1-50%
- Infrastructure assets	20-190 years 0.5-5%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Infrastructural assets components include gates, pipes, outlets and stopbanks. Depreciation is not provided for on stopbank components of the infrastructure assets. An asset management plan has been prepared for these schemes.

Impairment of property, plant and equipment: Property, plant and equipment that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated and an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount the total impairment is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Value in use for non cash generating assets: Non cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash generating assets: Cash generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Movements in the carrying value for each class of property, plant and equipment are as follows:

COUNCIL	Freehold Land $000	Forestry Land $000	Buildings $000	Infrastructure $000	Plant, equipment, vehicles and vessels $000	TOTAL $000	Capital work in progress $000
Year ended 30 June 2024							
Opening net book value	5,180	707	14,150	39,139	5,186	64,362	7,410
Additions	-	-	209	2,897	5,429	8,535	5,742
Disposals* and divested assets	-	-	-	-	(216)	(216)	-
Revaluation movement	370	-	(1,115)	-	-	(745)	-
Depreciation expense	-	-	(284)	(287)	(1,519)	(2,090)	-
Closing net book value	**5,550**	**707**	**12,960**	**41,749**	**8,880**	**69,846**	**13,152**
At 30 June 2024							
Assets at cost/valuation	5,550	707	12,960	42,036	19,321	80,574	13,152
Accumulated depreciation	-	-	-	(287)	(10,441)	(10,728)	-
Net book value	**5,550**	**707**	**12,960**	**41,749**	**8,880**	**69,846**	**13,152**
Year ended 30 June 2025							
Opening net book value	5,550	707	12,960	41,749	8,880	69,846	13,152
Additions	-	-	246	1,172	575	1,993	6,045
Disposals* and divested assets	-	-	-	-	(34)	(34)	-
Transfer between asset classes	-	-	-	7,880	2	7,882	(7,882)

Revaluation movement	(30)	-	1,105	-	-	1,075	-
Transfer to operations	-	-	-	-	-	-	(74)
Depreciation expense	-	-	(261)	(356)	(1,437)	(2,090)	-
Closing net book value	**5,520**	**707**	**14,050**	**50,445**	**7,950**	**78,672**	**11,241**
At 30 June 2025							
Assets at cost/valuation	5,520	707	14,050	51,088	19,328	90,693	11,241
Accumulated depreciation	-	-	-	(643)	(11,378)	(12,021)	-
Net book value	**5,520**	**707**	**14,050**	**50,445**	**7,950**	**78,672**	**11,241**

Depreciation and amortisation expense		Council 30-Jun-25	Council 30-Jun-24
Property, plant and equipment		2,090	2,090
Intangibles	Note 14	86	92
Total		**2,176**	**2,182**

** disposals are reported net after accumulated depreciation*

CONSOLIDATED	Freehold Land $000	Forestry Land $000	Freehold Land - Port $000	Buildings and amenities $000	Infrastructure $000	Plant, equipment, vehicles and vessels $000	TOTAL $000	Work in progress $000
Year ended 30 June 2023								
Opening net book value	5,180	707	16,170	23,092	39,139	7,044	91,332	7,813
Additions	-	-	-	553	2,897	5,429	8,879	6,190
Disposals* and divested assets	-	-	-	0	-	(246)	(246)	-
Transfer between asset classes	-	-		-	-	302	302	(660)
Revaluation movement	370	-	1,505	(910)	0	-	965	-
Transfer to operations	-	-	-	-	-	-	-	(30)
Depreciation expense	-	-	-	(627)	(287)	(1,738)	(2,652)	-
Closing net book value	**5,550**	**707**	**17,675**	**22,108**	**41,749**	**10,791**	**98,580**	**13,313**
At 30 June 2024								
Assets at cost/valuation	5,550	707	17,675	24,059	42,036	22,731	112,758	13,313
Accumulated depreciation	-	-	-	(1,951)	(287)	(11,940)	(14,178)	-
Net book value	**5,550**	**707**	**17,675**	**22,108**	**41,749**	**10,791**	**98,580**	**13,313**
Year ended 30 June 2025								
Opening net book value	5,550	707	17,675	22,108	41,749	10,791	98,580	13,313
Additions	-	-	-	354	1,172	427	1,953	6,746
Disposals* and divested assets	-	-	-	-	-	(34)	(34)	-
Transfer between asset classes	-	-	2,960	-	7,880	271	11,111	(8,151)
Revaluation movement	(30)	-	3,125	1,059	-	-	4,154	-
Transfer to operations	-	-	-	-	-	-	-	(74)
Depreciation expense	-	-	-	(609)	(356)	(1,706)	(2,671)	-
Fixed assets derecognised in disposal of subsidiary	-	-	(23,760)	(8,862)	-	(1,799)	(34,421)	(592)
Closing net book value	**5,520**	**707**	**0**	**14,050**	**50,445**	**7,950**	**78,672**	**11,241**
At 30 June 2025								
Assets at cost/valuation	5,520	707	-	14,050	51,088	19,328	90,693	11,241
Accumulated depreciation	-	-	-	-	(643)	(11,378)	(12,021)	-
Net book value	**5,520**	**707**	**0**	**14,050**	**50,445**	**7,950**	**78,672**	**11,241**

Depreciation and amortisation expense		Consolidated 30-Jun-25	Consolidated 30-Jun-24
Property, plant and equipment		2,671	2,652
Intangibles	Note 14	86	92
Total		**2,757**	**2,744**

** disposals are reported net after accumulated depreciation*

Valuation of freehold land and buildings - Council

The most recent valuation of council's freehold land and buildings was performed by CBRE Limited (2024: CBRE Limited) and is effective as at 30 June 2025.

Council's freehold land and buildings are valued at fair value of $19,570,000 (2024: $18,510,000) using a market-based approach based on a highest and best use approach, whereby the potential market rentals are capitalised to derive a market value of the property. Significant assumptions in the 30 June 2025 valuations include market rentals and capitalisation rates.

- Market rents range from: $133.64 to $325 per square metre (2024: $133.64 to $325)
- Capitalisation rates are market based rates of returns, ranging from 6.41% to 9.67% (2024: 6.41% to 9.50%)

If council's freehold land and buildings were measured at depreciated replacement cost, the carrying amount would be $17,140,000 (2024: $16,415,000). Council has no restrictions on the realisability of its freehold land and buildings.

Valuation of Infrastructure assets - Council

The most recent valuation of council's infrastructure assets was performed by independent registered valuers AON Valuation Services. The valuation is effective as at 30 June 2023.

Flood protection assets are valued using the depreciated replacement cost (DRC) method. In using the DRC methodology, age, condition, location, remaining life, optimisation and modern equivalent replacement cost information were collated on individual elements of the flood protection assets (i.e. stop banks, floodgate, spillway, retaining wall, culverts and bridge). Replacement costs were based on the current replacement cost of modern equivalent assets and reviewed by AON staff and compared with contract rates.

In determining the fair value of associated infrastructure land, land has been valued as vacant with assessments to comparable market evidence taking into consideration adjustments for size, contour, location, zoning and designation, current and potential uses. Where it is identified that the land is designated reserve, an appropriate adjustment has been made to reflect the retrieved nature of any future development potential. The basis when valuing designated land is that the land many not be used for any other purpose than is designated with an adjustment made to reflect the value of the chance of any permission being obtained for some other use at some future time.

The remaining life of elements is based on a standard expected economic life for each element type with adjustments dependent on age and condition for each individual element, which may vary from one asset to another.

Infrastructure assets have been classed as being fully optimised and no discount has been applied to account for any spare capacity.

To ensure the carrying value of council's infrastructure assets do not differ materially from their fair value, AON Valuation Services undertake an annual high-level review of movements in selected relevant markets. Based on the market increases in the replacement costs of flood protection assets and increases in civil construction over the 12 months to 30 June 2025 it was assessed that there was no material difference between the carrying value and fair value of councils Infrastructure assets, and a revaluation was not required.

Core infrastructure disclosure

Included within the council infrastructure assets are the following core council assets:

	Closing Book Value $000	Additions: constructed by Council $000	Additions: transferred to Council $000	Most recent replacement cost estimate for revalued assets $000
2025				
Whangārei Urban Rivers Flood Protection Scheme	8,788	0	0	8,875
Awanui River Flood Protection Scheme	30,408	0	0	31,247
Kaeo-Whangaroa Flood Protection Scheme	1,544	485	0	1,127
Panguru Flood Protection Scheme	1,207	0	0	1,233
Taumarere Rivers Flood Protection Scheme	8,498	8,577	0	8,577
Total	**50,445**	**9,062**	**0**	**51,059**
2024				
Whangārei Urban Rivers Flood Protection Scheme	8,881	0	0	8,875
Awanui River Flood Protection Scheme	30,594	2,882	0	31,247
Kaeo-Whangaroa Flood Protection Scheme	1,066	15	0	1,127
Panguru Flood Protection Scheme	1,208	0	0	1,233
Total	**41,749**	**2,897**	**0**	**42,482**

Capital Commitments

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Property plant and equipment	48	22	48	101
Total capital commitments	**48**	**22**	**48**	**101**

Capital Commitments represent capital expenditure contracted for at year end but not yet incurred.

Note 14: Intangible assets

Accounting policy

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the council's website are recognised as an expense when incurred.

Carbon Credits

Compensation units received at no cost from the Crown are recognised at fair value at the date of receipt. The credits are recognised when they have been received and are recognised in the surplus.

New Zealand Units are revalued annually with reference to market prices. The net revaluation result is credited or debited to other comprehensive revenue and expense and accumulated to an asset revaluation reserve in equity. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus of deficit.

Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the NZU. Gains and losses on disposals are reported in the surplus or deficit.

If at the end of any financial year there has been some deforestation (such as harvesting) that is yet to be replanted, a contingent liability will be disclosed until such time as replanting has occurred. Council's Forest Management Plan prescribes that replanting will always take place subsequent to any harvest.

Easements

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually. The cost of an easement is capitalised as part of the asset to which they relate.

Amortisation

Intangible assets that have an indefinite useful life, or are not yet available for use are not subject to amortisation and are tested annually for impairment.

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates for major classes of intangible assets have been estimated as follows:

Computer software: 3-5 years 20-33%

Breakdown of intangible assets and further information:

	Note	Council and Consolidated 30-Jun-25 $000	Council and Consolidated 30-Jun-24 $000
Computer software			
Cost - opening balance		1,737	1,712
Accumulated amortisation		(1,622)	(1,530)
Computer software opening carrying amount		**115**	**182**
Additions		249	25
Net disposals*		-	-
Amortisation charge		(86)	(92)
Total computer software closing balance		**278**	**115**
Cost		1,986	1,737
Accumulated amortisation		(1,708)	(1,622)
Total computer software closing balance		**278**	**115**
Forestry Carbon Credits - New Zealand Units (NZU's)			
Opening balance		-	698
Gain/(loss) on revaluation of Emission Trading Scheme - NZU's	20	-	245
Transfer to Assets held for Sale	9	-	(943)
Forestry Carbon Credits - New Zealand Units (NZU's) - Closing Balance		-	-
Total Intangible Assets		**278**	**115**

*Disposals are reported net after accumulated depreciation.

Note 15: Forestry assets

Accounting policy

Forestry assets are independently revalued, annually, at fair value less estimated point of sale costs.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs, and from a change in fair value less estimated point of sale costs, are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Breakdown of forestry assets and further information:

	Note	Council and Consolidated 30-Jun-25 $000	Council and Consolidated 30-Jun-24 $000
Balance at 1 July		4,330	4,242
Gain/(Loss) arising from changes in fair values less estimated point-of-sale costs	2iii	683	88
Balance at 30 June		**5,013**	**4,330**

Northland Regional Council owns 295.7 hectares (2024: 295.7 hectares) of radiata pine forest which are at varying stages of maturity, ranging from 5 to 35 years. The reduction in the number of hectares from the previous year is due to poor stocking.

Valuation assumptions

Independent registered forestry industry consultants, Forme, have valued forestry assets at fair value less estimated selling costs as at 30 June 2025.

In 2025 (and 2024) the fair value of the forest was derived by using the crop expectation value method. Under the crop expectation value approach, the net present value of the forest is calculated by discounting the projected future net cash flow of the tree crop to the valuation date (30 June 2025). The calculated net present value is linked to sales evidence through the application of a discount rate of 7.8% (2024: 7.8%) derived with consideration to the cost of capital of a similar investment and consistent with the 2023 discount rate survey published in the NZ Journal of Forestry Vol69, No.2. The valuation also uses the standard set of conventions (time, cost, area market) as recommended by the NZ Institute of Forestry. In applying this approach PBE IPSAS 27 requires exclusion of financing, funding and costs related to subsequent crops. Costs and prices are held constant in 2025 NZ dollars, i.e. the net impact of inflation is assumed to be zero.

Note 16: Derivative financial instruments

Accounting policy

Marsden Maritime Holdings Limited use derivative financial instruments such as interest rate swaps to hedge risk associated with interest rate fluctuation.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Designated Cash Flow Hedges

Marsden Maritime Holdings Limited documents at the inception of the transaction the relationship between hedging instrument and hedged item, as well as the risk management objective and strategy for undertaking the transactions. Marsden Maritime Holdings Limited also documents its assessment, both at hedge inception and on an ongoing basis of whether the derivatives that are being used in hedging transactions are highly effective throughout the financial reporting period(s) for which they were designated.

At each reporting period, all designated cashflow hedges are tested for effectiveness. The effective portion of the gain or loss on a hedging instrument is recognised in other comprehensive revenue and expense, and the ineffective portion of the gain or loss on the hedging in instrument is recognised in the surplus or deficit.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive revenue and expense are reclassified into the surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects the surplus of deficit. However, if it expected that all or a portion of a loss of a loss recognised in other comprehensive revenue and expense will not be recovered in one or more future periods, the amount that is not expected to be recovered is reclassified to the surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which a fair value hedge accounting is applied, the associated gains or losses that were recognised in other comprehensive revenue and expense will be recognised in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, or exercised without replacement or roll over or it no longer meets the criteria for hedge accounting, the cumulative gain or loss previously recognised in other comprehensive revenue and expense from the period when the hedge was effective will remain separately in equity until the forecast transaction occurs.

The fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

Derivatives that do not qualify for hedge accounting

The associated gains or losses on derivatives that are not hedge accounted are recognised in the surplus or deficit.

Note 16: Cash flow hedge reserve:

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Movement in Marsden Maritime Holdings Limited (parent) hedging		-	-	(625)	(589)
Movement in share of joint venture hedging reserve		-	-	(461)	(304)
Total movement in hedging reserve before tax		-	-	(1,086)	(893)
Taxation on above items		-	-	304	250
Total movement in hedging reserve after tax		-	-	**(782)**	**(643)**
Balance 1 July				521	1,164
Recycled to surplus/(deficit) on disposal of subsidiary		-	-	261	-
Balance 30 June		-	-	0	521
Balance 30 June - Attributable to controlling interest in Marsden Maritime Holdings Ltd	20	-	-	**0**	**278**

Note 17: Payables and deferred revenue

Breakdown of payables and deferred revenue and further information:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
CURRENT PORTION				
Payables and deferred revenue under exchange transactions				
Payables and accruals	4,845	5,282	4,845	6,597
Revenue received in advance	583	583	583	791
Amounts due to subsidiaries and associates	-	27	-	-
	5,428	**5,892**	**5,428**	**7,388**
Payables and deferred revenue under non-exchange transactions				
Grants payable	62	500	62	500
Other grants and deferred revenue received subject to conditions not yet met	4,877	5,913	4,877	5,913
Other taxes	442	537	442	537
	5,381	**6,950**	**5,381**	**6,950**
Current total payables and deferred revenue	**10,809**	**12,842**	**10,809**	**14,338**
NON-CURRENT PORTION				
Payables and deferred revenue under non-exchange transactions				
Other grants received and deferred revenue subject to conditions not yet met	626	625	626	2,453
Non-current total payables and deferred revenue	**626**	**625**	**626**	**2,453**

Trade and other payables are non-interest bearing and are normally settled on terms varying between seven days and 20th of the month following the invoice date. Therefore, the carrying value of trade and other payables approximates their fair value.

Note 18: Employee entitlements

Accounting policy

Short-term employee entitlements

Employee benefits that are expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council recognises a liability for sick leave to the extent that absences in the coming year are anticipated to be taken. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that council anticipates it will be used by staff to cover those future absences.

Council recognises a liability and an expense for bonuses where contractually obliged, or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement have been calculated on an actuarial basis. The calculations are based on the present value of the estimated future cash flows.

Presentation of employee entitlements

Retirement gratuities for employees up to the age of 60 are classified as a non-current liability. All other employee entitlements are classified as a current liability.

Breakdown of employee entitlements and further information:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Annual leave	1,871	1,797	1,871	1,885
Accrued salaries and wages	1,386	1,113	1,386	1,113
Other leave	468	394	468	393
	3,725	**3,304**	**3,725**	**3,391**
Represented by:				
Current benefit liabilities	3,706	3,285	3,706	3,372
Non-current benefit liabilities	19	19	19	19
	3,725	**3,304**	**3,725**	**3,391**

Note 19: Borrowings

Accounting policy

Borrowings on normal commercial terms are initially recognised at their fair value plus any transaction costs.

Borrowing costs are recognised as an expense in the period in which they are incurred, and where repaid on maturity they are accrued and added to the borrowing balance.

After initial recognition, borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Breakdown of borrowings and further information:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Current				
Local Government Funding Agency - Borrowing	6,883	-	6,883	-
Total current borrowings	**6,883**	**-**	**6,883**	**-**
Non-current				
Local Government Funding Agency - Borrowing	59,158	24,458	59,158	24,458
Secured Loans - BNZ	-	-	-	33,440
Total non-current borrowings	**59,158**	**24,458**	**59,158**	**57,898**
TOTAL Borrowings	**66,041**	**24,458**	**66,041**	**57,898**

The council uses borrowing to fund capital investment to help achieve intergenerational equity so that todays ratepayers only meet the cost of using their council's assets, not the full cost of purchasing or creating long term assets that will benefit future ratepayers.

Council borrowings consist of a short term loan and long term bonds sourced from the Local Government Funding Agency (LGFA) at fixed rates of interest ranging from 1.98% to 5.65% (2024: 1.98% to 5.32%). The weighted average interest rate for council's outstanding borrowings as at balance date was 4.87% (2024: 4.47%).

All borrowings are secured by a charge over councils rates revenue set and assessed under the Local Government Rating Act 2002.

There are a number of covenants included within the loan agreement with LGFA - no breach of these loan covenants has occurred during the year.

The total fair value of council's borrowings at 30 June 2025 is $69,616,120 (2024: $23,683,734). Fair values are based on a yield to maturity basis and semi annual interest payments. Fair value rates range from 3.63% to 4.49% (2024: 4.83% to 5.00%).

Note 20: Equity

Accounting policy

Equity is the community's interest in the council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

- Accumulated funds
- Reserves
  - Asset revaluation reserve
  - Fair value through other comprehensive revenue and expense reserve
  - Hedging reserve
  - Special reserves.

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the council.

The Asset revaluation reserve relates to the revaluation of property, plant and equipment and intangible assets to fair value.

The fair value through other comprehensive revenue and expense reserve comprises the cumulative net change in fair value of assets classified as fair value through other comprehensive revenue and expense.

Hedging reserve comprises the effective portion of the cumulative net change in fair value of derivatives designated as cash flows hedges.

Special reserves include reserves established by the council (and may be altered at the discretion of council) to isolate funds put aside for a specific purpose, and other reserves restricted by law and reflect targeted rates that must be applied to the specific activities for which the rates were collected.

Breakdown of equity and further information:

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Accumulated funds				
As at 1 July	168,165	158,976	208,259	199,702
Surplus/(deficit) for year	131,205	8,398	53,739	7,766
Net transfers from/(to) special reserves	41,311	791	41,311	791
Net transfers from/(to) other reserves	810	-	38,182	-
As at 30 June	**341,491**	**168,165**	**341,491**	**208,259**

Reserves	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Asset revaluation reserve					
As at 1 July		8,712	9,212	44,522	45,859
Revaluation gains/(losses) - buildings and amenities		1,105	(1,115)	1,080	(1,005)
Revaluation gains/(losses) - land		(30)	370	1,557	(577)
Revaluation gains/(losses) - forestry carbon credits		-	245	-	245
Transfer to accumulated funds		(810)	-	(38,182)	-
As at 30 June		**8,977**	**8,712**	**8,977**	**44,522**
Asset revaluation reserve attributable to:					
Land		3,322	3,352	3,322	38,777
Buildings and amenities		1,549	444	1,549	829

Infrastructure assets		4,106	4,106	4,106	4,106
Forestry carbon credits		-	810	-	810
Total Asset revaluation reserve		**8,977**	**8,712**	**8,977**	**44,522**
Special reserves					
As at 1 July		**55,270**	**56,061**	**55,270**	**56,061**
Transfers from/(to) accumulated funds		(41,311)	(791)	(41,311)	(791)
As at 30 June		**13,959**	**55,270**	**13,959**	**55,270**
Cashflow hedge reserve					
As at 1 July		-	-	278	623
Fair value gains/(losses) recognised		-	-	(418)	(345)
Recycled to surplus/(deficit) on disposal of subsidiary		-	-	140	
As at 30 June		-	-	**0**	**278**
Total Reserves		**22,936**	**63,982**	**22,936**	**100,070**
Non-controlling interest		-	-	-	**73,850**
Total Equity		**364,427**	**232,147**	**364,427**	**382,179**
Non-controlling interest					
Balance at 1 July				73,850	75,421
Share of total comprehensive revenue and expense attributable to the non controlling interest in Marsden Maritime Holdings Limited		-	-	3,358	1,016
Dividends paid		-	-	(1,101)	(2,587)
Recycled cashflow hedge reserve to surplus/(deficit) on disposal of subsidiary		-	-	120	-
Elimination of non controlling interest on derecognition of subsidiary	12(i)			(76,227)	
Balance at 30 June		-	-	-	**73,850**

Information about reserve funds held for a specific purpose is provided below:

Note 20 continued	Activities to which the reserve relates	Balance at 30 June 2025 $000	Balance at 30 June 2024 $000
Land Management reserve	Land and Biodiversity	3,343	3,194
Awanui River reserve	River management	(911)	198
Kaihū River reserve	River management	74	42
Kāeo-Whangaroa Rivers reserve	River management	329	344
Whangārei Urban Rivers reserve	River management	(6,040)	(6,530)
Property Reinvestment reserve	Economic development	24,700	24,503
Equalisation reserve	All	2,413	2,814
Hātea River Maintenance reserve	Harbour safety and navigation	40	45
Investment and Growth reserve	Economic development	471	160
Economic Development reserve	Economic development	17,425	18,520
Regional Projects reserve	All	8,687	13,100
Whangārei Transport reserve	Transport	1,583	1,066
Emergency Services reserve	Community representation and engagement	210	213
Approved Carry Forwards reserve	All	711	773
Flood Infrastructure reserve	River management	(9,545)	(7,116)
Kāeo-Whangaroa Flood Infrastructure reserve	River management	926	285
Awanui Flood Infrastructure reserve	River management	(944)	(1,375)

Whangārei Flood Infrastructure reserve	River management	269	215
Taumārere Flood Infrastructure reserve	River management	(101)	88
Far North Transport reserve	Transport	795	674
Regional Sporting Facilities reserve	Economic development	1,793	1,747
Operational reserve	All	6,616	5,042
Kaipara Moana Remediation reserve	Kaipara Moana remediation programme	(86)	60
Enterprise System reserve	Enterprise System	(3,097)	(3,582)
Vessel Replacement reserve	Harbour safety and navigation	(2,536)	(2,656)
IRIS Next Generation reserve	IRIS Next Generation	759	660
CDEM Joint Emergency Centre reserve	CDEM joint emergency centre	3,699	2,355
Biosecurity Pest Incursions Response Reserve	Biosecurity	311	431
Joint Venture Company Equalisation reserve	All	(37,935)	-
Total Special Reserves		**13,959**	**55,270**

Purpose of each reserve fund:

Land Management Reserve
This reserve was created to set aside Land Management rates collected but not fully used in any given year. While the land management reserve maintains a positive balance, it can be used to fund emergency events such as remedial storm expenditure on a case-by-case basis. This reserve will be renamed in 2024/25 to Land and Freshwater Management Reserve.

River and Flood Infrastructure Reserves
The Awanui, Kaihu, Kāeo -Whangaroa, Kerikeri-Waipapa and Whangārei urban and Taumārere river reserves and flood infrastructure reserves represent accumulated targeted river management rates and targeted flood infrastructure rates collected and unspent in any given year to cover:

- Any future funding shortfalls in respect to the maintenance and operation of existing river flood management schemes (river reserves)
- Any future funding shortfalls relating to the development, maintenance and operation of new flood infrastructure schemes (flood infrastructure reserves)

This keeps the surpluses/ deficits in the appropriate activity separate from other activities. Any deficit balance in these reserves will be restored to a positive balance from future targeted river management and flood infrastructure rates collected from the rate payers within the area of benefit identified in the respective flood management plans.

Property Reinvestment Reserve
This reserve was established to represent the proceeds of commercial property sales and acquisitions and includes the proceeds of a special dividend (capital) payment made by the Marsden Maritime Holdings Limited. This reserve represents general funds invested in council's long term and short term investment funds that are set aside to be reinvested in income-producing assets, pending the identification of approved property investments.

Equalisation Reserve
This reserve was created to represent accumulated surplus forestry income (after accounting for the cost of any forestry maintenance) arising in any year. These reserved funds are intended to provide future funding of councils general operating activities with a view to smoothing future rating increases. It is further intended that these reserved funds be used to fund the self insurance of forestry infrastructure and the cost of forestry operations in non-harvesting years.

Hātea River Maintenance Reserve
This reserve was created to represent a component of the council services rate specifically levied across the Whangārei constituency, which is set aside to ensure funding is in reserve and immediately available if dredging of the Hātea river is required. The funds may be applied to the following:
1. Ongoing maintenance and dredging
2. Disposal of dredged spoil material
3. The provision of an annual hydrographic survey of the river.
The reserve is to be maintained at a targeted fund of up to $400,000.

Investment and Growth Reserve
This reserve was created to represent the investment income set aside and held in reserve to fund activities and projects that contribute towards economic well-being in accordance with set criteria.

Economic Development Reserve
This reserve was established to represent funds held in council's long-term investment fund that are reserved to support Northland's economic development activities including investment in community infrastructure.

Civil Defence and Emergency Management (CDEM) Joint Emergency Centre Reserve
This reserve represents the shortfall in funding relating to the CDEM joint emergency centre. Any deficit balance in this reserve will be restored to a positive balance from future rates collected. From then on any rates collected over the life of the program will accumulate and be held to repay the borrowing at the end of the loan term. This reserve will be renamed in 2024/25 to Civil Defence Emergency Management (CDEM) Multi Agency Coordination Centre Reserve.

Vessel Replacement Reserve
This reserve represents the balance of the borrowing remaining on the replacement for the Waikare, which will be funded from future rates. In addition this reserve will hold rates collected over the life of the vessel to fund the next replacement vessel.

Regional Projects Reserve
This reserve was established to represent funds invested in council's long-term investment fund, and earmarked for approved infrastructure and economic development investments, with a view to stabilising the impact of large irregular infrastructure projects on council's income and capital requirements. This reserve helps manage and spread the costs of approved infrastructure and economic development investment projects and is also intended to provide more flexibility around when such large capital intensive projects can commence. The income from this reserve represents funds available for operational spend for other activities where needed.

Whangārei and Far North Transport Reserves
This Whangārei transport reserve and the Far North transport reserve represent accumulated targeted Whangārei transport and Far North transport rates collected and unspent in any given year to cover any future funding shortfalls of their respective transport services. Any deficit balance in these reserves will be restored from future targeted rates collected from ratepayers in the Whangārei district (Whangārei transport rates) and Far North district (Far North transport rates).

Emergency Services Reserve
This reserve represents any accumulated targeted Emergency Services rates collected and unspent in any given year, and held in reserve to cover any future funding shortfalls of Emergency Services funding. This reserve will be renamed in 2024/25 to the Regional Rescue Services Reserve.

Approved Carry Forwards Reserve
This reserve represents amounts approved to be carried forward from one financial year to the next to enable specific work programmes to be completed. All carry forwards are approved by way of council resolution.

Flood Infrastructure Reserve
This reserve was created to hold any targeted flood infrastructure rates relating to new flood protection capital programmes, identified in the infrastructure strategy, that were collected and unspent in any given year. These unspent rates will cover any future funding shortfalls in the new flood protection capital programmes.

Regional Sporting Facilities Reserve
This reserve represents accumulated targeted regional sporting facilities rates collected and unspent in any given year, and held in reserve to contribute to any future funding shortfalls of regional sporting facilities funding.

Operational Reserve
This reserve, formerly known as the OPEX Reserve, was established to represent the term deposits held to ensure the stability of work-programmes, employment, and council's ongoing day to day operations, by ensuring that a portion of annual operating costs that is intended to be funded from council's investment returns (dividends and managed fund gains) is in reserve. This will cover any unanticipated loss in council's funding arising from adverse economic conditions or volatility in financial markets.

Capital Subsidy Reserve
This reserve represents capital subsidies received by council to offset the future costs associated with capital projects.

Kaipara Moana Remediation Reserve
This reserve represents the shortfall in funding relating to the required contribution to the Kaipara Moana Remediation program. Any deficit balance in this reserve will be restored to a positive balance from future rates collected. From then on any rates collected over the life of the program will accumulate and be held to repay the borrowing at the end of the loan term.

Enterprise System Reserve
This reserve represents the shortfall in funding relating to the enterprise system. Any deficit in this reserve will be restored to a positive balance from future rates collected. From then on, any rates collected over the life of the programme will accumulate and be held to repay the borrowing at the end of the loan.

IRIS Next Generation Reserve
This reserve represents the shortfall in funding relating to the IRIS Next Generation Project. Any deficit balance in this reserve will be restored to a positive balance from future rates collected.

Biosecurity Pest Incursion Response Reserve
The purpose of this reserve is to represent accumulated annual surpluses that may be called upon to immediately fund the response to any new incursion of pests that pose a risk to Northlands economy, environment, cultural and social values. The Reserve may also be called upon to fund preventative measures for specific species of national concern such as Freshwater Clam that are not currently present and excluding them will prevent significant damage to the economy, environment, cultural and social values.

Joint Venture Equalisation Reserve
This reserve represents the shortfall in funding related to the transaction undertaken to invest in Northport Group Limited. Any deficit in this reserve will be restored to a neutral or positive balance from future dividends and/or interest received.

Note 21: Contingencies

21(i): Contingent liabilities

	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Bonds	-	-	-	75
	-	-	-	75

Council

The council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from Standard and Poor's Global Ratings of AAA and a foreign currency rating of AA+ and a local currency rating and foreign currency rating of AA+ from Fitch.

Accounting Standards require the council to initially recognise the guarantee liability by applying the 12-month expected credit loss model (as fair value could not be reliably measured) and subsequently at the higher of the provision for impairment at balance date determined by the expected credit loss model and the amount initially recognised. At the end of financial year, the council have assessed the 12-month expected credit losses of the guarantee liability, based on market information of the underlying assets held by the NZLGFA. The estimated 12-month expected credit losses are immaterial due to the extremely low probability of default by the NZLGFA in the next 12 months, and therefore, the council have not recognised a liability.

As at 30 June 2025, the council is one of 72 local authority guarantors of the NZLGFA. When aggregated with the uncalled capital of other shareholders, $20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the council is a guarantor of all of NZLGFA's borrowings. At 30 June 2025, NZLGFA had borrowings totalling $25,530m (2024: $23,030m).

The council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

» We are not aware of any local authority debt default events in New Zealand; and

» Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

At year end, council was involved in a shared cost arrangement to fund 50% of the costs arising from a subdivision that is subject to the construction of a rail spur connecting the main trunk line to Marsden Point.

Legal Claims

A complicated civil claim was lodged against council in 2024, and 4 other parties, seeking damages of $3.5m for alleged negligence in performing its responsibilities regarding the granting and monitoring of a resource consent.

Council is defending the claim and is a third party to the proceedings, represented by its insurers counsel. At the end of the reporting period the proceedings are adjourned to allow the first and second parties to discuss the possibility of settlement.

In December 2020, proceedings were filed with the Māori Land Court which seek to establish "ownership" of waters of Poroti Springs and seeks that council pay damages relating to cultural, spiritual, and economic losses associated with council exercising its powers under the Resource Management Act 1991. Those proceedings have been on hold while the jurisdiction of Māori Land Court to hear and determine the proceedings is established by the higher courts. The matter is presently before the Court of Appeal following the appeal on a High Court ruling that the Māori Land Court does not have jurisdiction to determine claims for customary title to water nor does it have jurisdiction to order damages for injury to customary title to water.

The outcome of these proceedings and any financial exposure for these claims is uncertain at the end of the reporting period, and no provision has been made in the financial statements.

Disclosing a contingent liability does not represent either an admission that the claim is valid or an estimation of the possible amount of any award against the council.

Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the council has an ongoing obligation to contribute to the Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme.

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, following the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, which addressed the treatment of claims against Riskpool that involved a mixture of non-weathertightness and weathertightness defects (mixed claims), a number of proceedings against Riskpool, which were stayed pending the Supreme Court's decision in 2023, have since recommenced.

Several member councils have brought proceedings against Riskpool related to mixed claims. Two of these claims are currently listed for trial in September 2025. These cases are important in clarifying the scope of Riskpool's historical obligations and the interpretation of past Scheme terms. At this point the total potential liability of the outstanding claims against Riskpool is unable to be quantified.

Other Legal Claims

At year end the council was a respondent or defendant in a number of other legal proceedings against council that had not been heard before the court or ruled upon which may result in a liability should council not successfully defend the proceedings. Consistent with the nature of the councils activities, these legal claims predominantly involve Environment, Māori Land, High and District court proceedings resulting from decisions made by the council as a planning and consenting authority under the Resource Management Act. The amount claimed or the maximum potential exposure for the council is not considered material and excludes any interest or costs that may be claimed if these cases were decided against council.

21(ii): Contingent assets

At 30 June 2025 the council has no contingent assets (2024: Nil).

21(iii): Investment commitments

At 30 June 2025 the council had uncalled committed capital relating to its investment in private equity fund managers of $6,568,745 (2024: $8,280,886).

Note 22: Related party transactions

Related party disclosures have not been made for transactions with entities with the council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between entities and are on normal terms and conditions for such group transactions.

There are no related party transactions with any associate, subsidiary or key management personnel requiring disclosure.

Key Management Personnel Compensation

Key management personnel includes all the elected and independent (non-elected) representatives of council, the chief executive and senior management leadership team. Due to the difficulty in determining the full time equivalent for councillors and the independent members of council, the full time equivalent figures are taken as the number of councillors and independent members.

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
Key management personnel compensation					
Directors/councillor remuneration	4	788	779	1,207	1,170
Independent (non elected) members of the Council remuneration		45	83	45	83
Senior management team including the Chief Executive remuneration		1,777	1,466	3,137	2,699
Total key management personnel compensation		**2,610**	**2,328**	**4,389**	**3,952**
Councillors - full time equivalent members		9	9		
Independent (non elected) members of the Council - full time equivalent		4	3.5		

Senior management team including the Chief Executive - full time equivalent		7	7		
Total key management personnel full time equivalent		**20.00**	**19.50**		

Note 23: Events after balance sheet date

Subsequent to balance date, Northport Group Limited approved a shareholder loan repayment to Council of $2,974,679 to be paid on 30 September 2025.

There were no other significant events after balance date.

Note 24: Financial instruments

Note 24A: Financial instrument categories

	Note	Council 30-Jun-25 $000	Council 30-Jun-24 $000	Consolidated 30-Jun-25 $000	Consolidated 30-Jun-24 $000
FINANCIAL ASSETS					
Derivatives that are hedge accounted					
Derivative financial instrument assets	16(i)	-	-	-	379
Financial assets at amortised cost					
Cash on hand and at trading banks	6	8,524	1,692	8,524	1,905
Term deposits	6,10	11,291	12,574	11,291	12,574
Local government funding agency borrower notes	10	2,261	526	2,261	526
Debtors and other receivables	7	8,488	10,803	8,488	11,739
Loan to Joint Venture company	10	34,133	-	34,133	-
Other receivables (long term)	7	142	-	142	-
Total financial assets at amortised cost		**64,839**	**25,595**	**64,839**	**26,744**
Financial assets at fair value through surplus or deficit					
Other financial assets:					
Income funds	10	21,746	23,987	21,746	23,987
Equity Funds	10	41,344	43,502	41,344	43,502
Listed shares	10	-	-	-	237
Convertible Notes	10	4,990	-	4,990	-
Other loans	10	1,316	1,226	1,316	1,226
Investment in Regional Software Holdings Limited	12(ii)	387	-	387	-
Total financial assets at fair value through surplus or deficit		**69,783**	**68,715**	**69,783**	**68,952**
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Creditors and other payables	17	11,435	13,467	11,435	16,791
Borrowings:					
Local government funding agency - bond issuance	19	66,041	24,458	66,041	24,458
Bank loan	19	-	-	-	33,440
Total financial liabilities measured at amortised cost		**77,476**	**37,925**	**77,476**	**74,689**

Note 24B: Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

Financial assets at fair value through surplus or deficit and financial assets at fair value through other comprehensive revenue and expense are classified as level 1, with the exception of Convertible Notes (below) which are classified as level 3.

Level 3 fair values - Convertible Notes

The value of the convertible feature at Initiation associated with the Convertible Note has then been assessed using a binomial model using the key inputs and assumptions outlined below.

The value of the straight bond element of the Convertible Note at inception has been assumed to be the remainder of the $5,000,000 value at Initiation, being $3,991,150, which has been used to calculate the implied discount rate using the cash flows and their timing of the quarterly 6.3% p.a. interest payments and the return of the $5,000,000 principle.

At 30 June 2025, the value of the convertible feature has been valued using the updated assumptions at that date, and the value of the straight bond has been assessed using the remaining cash flows at that date, and the implied discount rate at inception adjusted for the movement in the risk-free rate to account for estimated market movement in interest rate.

In the binomial model 100 steps have been used, with projected share price adjusted for dilution that would take place by exercise of option at $30,000 per share compared to the existing share price.

The key inputs and assumption used in the valuation include

Risk Free rate	The Risk free rate is determined with consideration of the yield on 5 year government bonds, in line with the term of the Convertible Notes, and other macro-economic factors.	4.03% at Initiation	3.86% at 30 June 2025
Discount rate	The discount rate used for determining the valuation of the straight bonds was the implied discount rate required for the overall instrument including the value of the convertible feature to be $5,000,000 at initiation. At 30 June 2025 the discount rate was adjusted by the same difference between the risk-free rate at 30 June 2025 and Initiation, on the assumption the underlying risk of issuer was unchanged.	12.11% at Initiation	3.86% at 30 June 2025
Share price volatility	Share price volatility has been calculated using the weekly price data of nine identified comparable listed water utilities for the three years prior to the valuation date.	22.1% at Initiation	23.2% average annualised

A reasonable possible change in these key inputs holding all other constants, would have the following impact to and Consolidated surplus or deficit:

	30-Jun-25 Surplus or Deficit		30-Jun-24 Surplus or Deficit	
	+1% $000	-1% $000	+1% $000	11% $000
Risk Free rate (at 30 June 2025)	(66)	75	-	-
Discount Rate (at 30 June)	(41)	43	-	-
Share price volatility (average annualised)	25	(25)	-	-

Note 24C: Financial instrument

The council's activities expose it to a variety of financial instrument risks including market risk, credit risk, interest rate risk and liquidity risk. The council has a series of policies to manage the risks associated with financial instruments and its treasury activities.

The council has an approved Treasury Risk Management Policy including a liability management policy and an investment policy for its investments. These policies do not allow any transactions that are speculative in nature to be entered into and manages council's exposure in respect to liquidity risk, credit risk, price risk and interest rate risk.

The council also has investments in externally managed funds and administers these funds with overarching independent investment advice from Eriksens Global Limited. These two funds are administered in accordance with council's Statement of Investment Policies and Objectives (SIPO). The SIPO and any changes to it are approved by council. Monthly performance reporting on the two funds is prepared by Eriksens Global Limited, and any breach of compliance with the SIPO is also reported monthly to council's Audit, Risk and Finance committee.

Price risk

Price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. For council this includes investments in:

Externally managed funds;

Equity securities price risk arises on listed share investments and can be minimised through diversification. At 30 June 2025 council's externally managed investment funds were diversified over 18 fund managers (2024: 19). The use of a wide range of fund managers with different mandates and different asset allocations asset allocations, and that no single fund manager is permitted to hold more than 20% of the aggregated sum of the Long-Term Investment fund mitigates council's price risk.

Convertible Notes;

The council holds convertible notes that may be converted into ordinary shares at any time to maturity. The convertible notes are measured at fair value through surplus or deficit, and the fair value is sensitive to share price volatility. Assuming all other factors remain constant an increase in the share price or volatility generally increases the fair value of a convertible note, while a decrease has the opposite effect. Refer to Note 24B for more detail.

Regional software Holdings Limited (RSHL);

The council holds an equity investment in a RSHL. As RSHL is not publicly traded, any valuation is sensitive to assumptions such as projected cash flows, discount rates, and comparable company multiples. These inputs may fluctuate significantly over time, impacting the carrying value of the investment.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council's exposure to currency risk is provided below:

	Council & Consolidated 30-Jun-25 $000	Council & Consolidated 30-Jun-24 $000
Long Term Fund: Investments in		
Blackrock Fixed Income Global Opportunities Fund	-	640
Continuity Capital Fund (No.5) & (No.7)	3,451	2,855
MLC Private Equity funds (II) & (III) & (IV)	1,680	1,515
Schroders Real Return +5% Fund	2,485	3,562
Federation Alternative Fund	1,390	1,219
Fermat ILS Fund	953	869
Nanuk New World Fund	1,489	1,302
CPE Capital (No.9)	137	105
Total exposure to currency risk	**11,585**	**12,067**

Currency risk is mitigated by limiting investments in non-NZD denominated funds to a maximum of 20% of the aggregated sum of the Long-Term Investment fund. Council (via its CEO) manages currency risk associated with non-NZD denominated investments (currently AUD) with consideration to the views of council's independent risk advisor and independent investment advisor.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The council's exposure to fair value interest rate risk is limited to its interest-bearing investments within the portfolio and its $66m (2024: $24.5m) borrowings in the form of Local Government Funding Agency fixed coupon bonds.

Interest rate risk

Interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the council to cash flow interest rate risk.

Council's long-term borrowing and long-term deposit investments are at a fixed rate.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the council and group, causing it to incur a loss. Due to the timing of council's cashflows and outflows, surplus cash is invested into term deposits and externally managed funds.

The council's investments in term deposits, are invested in accordance with its Treasury Risk Management Policy as determined by the Standard and Poor's credit ratings. Where relevant, the minimum long term credit rating can be no lower than BBB and the maximum exposure of a counter party rated less than A- is $1m.

The council is exposed to credit risk as a guarantor of all of NZLGFA's borrowings. Information about this exposure is explained in note 21.

The credit risk associated with council's externally managed funds is minimised by setting maximum portfolio limits on each class of investment and specific limits on each Fund Manager. Council's SIPO ensures credit risk of each fund manager and the overall fund is managed within acceptable parameters.

Maximum exposure to credit risk

The council and group's maximum credit risk exposure for each class of financial asset is the carrying value set out in the table in Note 24A.

Debtors and other receivables arise mainly from the council's statutory functions. Therefore, there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. The council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and the council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that the council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through the investment portfolio. The council's treasury risk management policy ensures the sum of external debt, liquid funds and available committed bank facilities are at least 110% of external debt.

The council is exposed to liquidity risk as a guarantor of all of NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 21.

Contractual maturity of financial liabilities

The table below analyses the council and group's financial liabilities into relevant maturity groupings, based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments. The council's treasury risk management policy limits the level of borrowing that matures within the next three years to 60% of the total borrowing, unless any borrowings are funded by a specific targeted rate in which case the corresponding maximum maturity profile in any one year is 100%.

	Carrying Amount $000	Contractual Cash Flows $000	Less than 1 Year $000	1 - 2 Years $000	2 - 5 Years $000	More than 5 Years $000
Council 2025						
Creditors and other payables	11,435	11,435	10,809	626	-	-
Local Government Funding Agency - Bond Issuance	66,041	92,488	10,054	15,227	13,007	54,200
Total	**77,476**	**103,923**	**20,863**	**15,853**	**13,007**	**54,200**
Group 2025						
Creditors and other payables	11,435	11,435	10,809	626	-	-
Local Government Funding Agency - Bond Issuance	66,041	92,488	10,054	15,227	13,007	54,200
Total	**114,239**	**103,923**	**20,863**	**15,853**	**13,007**	**54,200**
Council 2024						
Creditors and other payables	13,467	13,467	12,842	625	-	-
Local Government Funding Agency - Bond Issuance	24,458	31,492	1,092	2,185	12,900	15,315
Total	**37,925**	**44,959**	**13,934**	**2,810**	**12,900**	**15,315**
Group 2024						
Creditors and other payables	16,791	16,791	14,338	2,453	-	-
Secured bank facility	33,440	40,210	2,489	37,721	-	-
Local Government Funding Agency - Bond Issuance	24,458	31,492	1,092	2,185	12,900	15,315
Total	**74,689**	**88,493**	**17,919**	**42,359**	**12,900**	**15,315**

Sensitivity analysis

The table below illustrates the potential effect on the surplus/deficit and equity (excluding accumulated funds) for reasonably possible market movements with all other variables held constant based on the council's and group's financial instrument exposures at balance date.

Sensitivity analysis	2025				2024			
	+1%		-1%		+1%		-1%	
	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000
COUNCIL								
Total sensitivity to interest rate risk	**852**	**-**	**(852)**	**-**	**825**	**-**	**(825)**	**-**

	2025				2024			
	+1%		-1%		+1%		-1%	
	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000	Surplus $000	Other Equity $000
GROUP								
Total sensitivity to interest rate risk	**852**	**-**	**(852)**	**-**	**711**	**-**	**(711)**	**-**

Borrowings

Council has $66m of external borrowings in the form of Local Government Funding Agency fixed coupon bonds. The rate of interest payable is fixed for the life of the borrowings and is not affected by rising or falling interest rates.

Note 24D: Capital management

The council's capital is its equity (or ratepayers' funds), which comprises accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the council to manage its revenues, expenses, assets, liabilities investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the council. Intergenerational equity requires today's ratepayers to meet the costs of using the council's assets and not expecting them to meet the full costs of long term assets that will benefit ratepayers in future generations. Additionally, the council has in place asset management plans for major classes of assets, detailing renewal and maintenance programs to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the council to make adequate and effective provision in its long term plan and its annual plan (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out the factors that the council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out under funding and financial policies in council's long term plan.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Refer to Note 20 for a list of council's reserves. Self-insurance reserves are built up annually from regional-wide or sometimes targeted rates and are made available for specific unforeseen events. The release of these funds is approved by council.

Wāhanga tuawhā: Ngā Whakaaturanga ā-Ture

Section four: Legislative disclosures

Other legislative disclosures

Rating base information

The following rating base information for Northland Regional Council is disclosed based on the rating base information at the end of the preceding financial year:

	TOTAL	
	30-Jun-25	30-Jun-24
The number of rating units within council's region at 30 June:	103,600	103,035
The total capital value of rating units within council's region at 30 June:	$91,282,049,747	$86,430,596,182
The total land value of rating units within council's region at 30 June:	$49,892,047,092	$46,383,974,332

Insurance of assets

At 30 June 2025 council had assets covered by full replacement insurance of $164,673,108 (2024: $153,793,312) and indemnity insurance of $70,000 (2024: $70,000). At 30 June 2025 there are no assets self insured (2024: Nil).

Internal borrowings

S112(b)(iii) of the Local Government Act defines borrowing as the use for any purpose, of funds received or invested by the local authority for any other purpose. Schedule 10(27) requires council to disclose internal borrowing, including the amount of the borrowings, funds borrowed and repaid during the year and the amount of any interest paid (if any) in relation to the internal borrowing by each group of activity.

At 30 June 2025 council had no internal borrowing (2024: nil).

Council funding impact statement

Period ending 30 June 2025

	Annual Plan 2023/24 $000	Actual 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Sources of operating funding				
General rates, uniform annual general charges, and rates penalties	-	608	-	699
Targeted rates	47,280	47,068	54,815	54,517
Subsidies and grants for operating purposes	10,791	20,387	13,397	15,203
Fees and charges	6,887	7,612	6,342	7,913
Interest and dividends from investments	3,975	8,795	1,462	8,190
Local authorities fuel tax, fines, infringement fees and other receipts	8,030	4,327	9,491	4,321
TOTAL OPERATING FUNDING	**76,963**	**88,797**	**85,507**	**90,843**
Applications of operating funding				
Payments to staff and suppliers	73,543	76,331	79,876	82,372
Finance costs	1,151	852	2,031	1,277
Other operating funding applications	-	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING	**74,694**	**77,183**	**81,907**	**83,649**
Surplus/(deficit) of operating funding	**2,269**	**11,614**	**3,600**	**7,194**
Sources of capital funding				
Subsidies and grants for capital purposes	-	1,830	5,938	6,427
Increase/(decrease) in debt	7,359	6,100	45,966	40,190
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	**7,359**	**7,930**	**51,904**	**46,617**
Applications of capital funding				
Capital expenditure:				
to meet additional demand	-	-	-	-
to improve levels of service	12,789	9,427	17,582	4,937
to replace existing assets	2,175	5,844	736	3,423
Increase/(decrease) in reserves	34	(791)	7,779	11,315
Increase/(decrease) of investments	(5,370)	5,064	29,407	34,136
TOTAL APPLICATIONS OF CAPITAL FUNDING	**9,628**	**19,544**	**55,504**	**53,811**
Surplus/(deficit) of capital funding	**(2,269)**	**(11,614)**	**(3,600)**	**(7,194)**
FUNDING BALANCE	**-**	-	**-**	-

Reconciliation to the statement of comprehensive revenue and expense

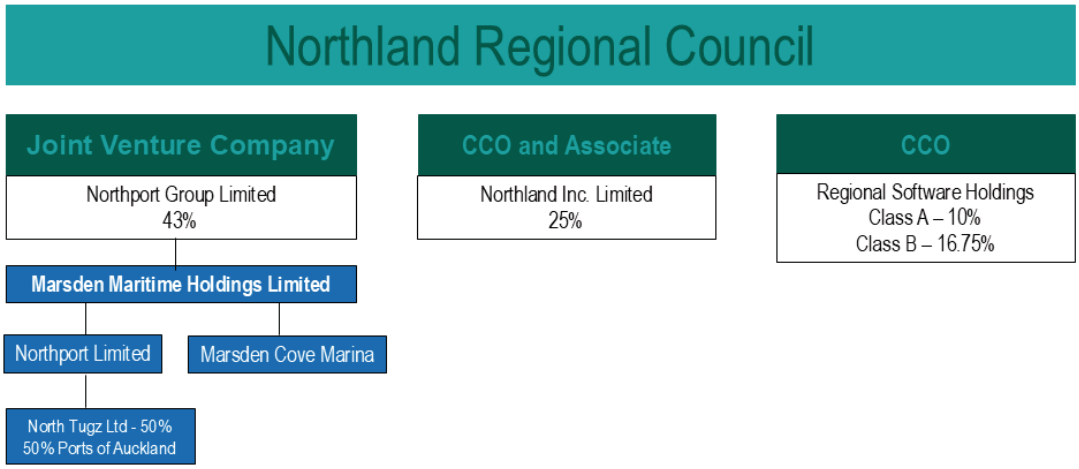
Period ending 30 June 2025

	Annual Plan 2023/24 $000	Actual 2023/24 $000	Amended Long Term Plan 2024/25 $000	Actual 2024/25 $000
Capital expenditure included above, not in comprehensive revenue and expense	14,964	15,271	18,318	8,360
Investment movements included above not in comprehensive revenue and expense	(5,370)	5,064	29,407	34,136
Other gains/(losses) included in Other Comprehensive Revenue and expense not included above	-	(500)	-	1,075
Gross proceeds included above, but not in comprehensive revenue and expense	-	-	-	-
Gains on asset disposals included in comprehensive revenue and expense	-	365	-	(478)
Financial assets fair value adjustments included in comprehensive income but not above	-	(142)	116,173	116,126
Revaluation adjustments not included above, but in comprehensive revenue and expense	-	(3,126)	1,539	4,105
Infrastructure asset revaluation adjustments included in comprehensive income but not above	-	-	-	-
Share of associate surplus/(deficit) and impairment included in comprehensive income but not above	-	14	-	34
Reversal of impairment included in comprehensive income but not above	-	25	-	(27)
Increase/(decrease) in debt included above but not in comprehensive income	(7,359)	(6,100)	(45,966)	(40,190)
Proceeds from borrowing included above not in comprehensive revenue	-	-	-	-
Transfers to/from special reserves included above, but not in comprehensive revenue and expense	34	(791)	7,779	11,315
Depreciation and amortisation expense not included above, but in comprehensive revenue and expense	(2,235)	(2,182)	(2,442)	(2,176)
Total comprehensive revenue and expense per the statement of comprehensive revenue and expense	**34**	**7,898**	**124,807**	**132,280**

Wāhanga tuarima: Ngā Hinonga e Whakahaeretia ana e te Kaunihera, me ngā Hinonga kei raro

Section five: CCO's and Subsidiaries

Group structure



A council-controlled organisation (CCO) is a company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers.

A council-controlled trading organisation (CCTO) is a company or organisation that operates a trading operation for the purpose of making a profit.

CCOs and CCTOs are required to complete a Statement of Intent and report against their policies, objectives and performance in their annual reports unless an exemption has been granted.

This section provides the information required under the Local Government Act 2002 for Northland Inc. Limited and Regional Software Holdings Limited.

During the reporting period, the council derecognised its controlling interest (53.61%) in subsidiary entity Marsden Maritime Holdings Limited (MMH), while retaining an interest in MMH via a 43% ownership of Northport Group Limited which itself holds 100% of the ordinary shares in MMH, and MMH holding 100% of the ordinary shares in Northport Limited.

During the reporting period, Council's investment in Regional Software Holdings Limited (RSHL) was declassified as an Associate as Council ceased to hold significant influence over RSHL's operating and financial policies.

Northland Inc Limited

About this council-controlled organisation (CCO)

Northland Inc Limited, established in July 2012, is the region's economic development agency and regional tourism organisation. Prior to 1 July 2021, it was 100% owned by Northland Regional Council. Since 1 July 2021, it is equally and jointly owned by NRC, Kaipara District Council and Far North District Council (together referred to as the shareholder councils). Whangarei District Council became an equal and joint owner on 4 September 2024.

Northland Inc Limited is primarily funded by an operational contribution from its shareholder councils delivered through NRC's Investment and Growth Reserve (IGR). It is project funded through other public and private agencies, with central government being the next largest contributor. The organisation has a governance board of professional directors, each appointed by the shareholder councils. Operational activity is led by a chief executive officer.

Policies and objectives

The mission of Northland Inc Limited is to identify and focus on activities and relationships that will strengthen, diversify and grow the economy of Te Tai Tokerau Northland to help achieve equity and environmental sustainability. Nine work areas separated into three strategic priorities (pou) and six enablers are set out in the 2024/26 Statement of Intent as the organisational objectives.

Work areas	Objectives
Strategic Pou 1: Investment and Infrastructure	Grow investment and business support services such that regional economic activity improves consistently year on year.
Strategic Pou 2: The Primary Sector (Tuputupu Grow Northland)	Support and facilitate adaptation and innovation in Northland's primary and associated manufacturing sectors to ensure the people and environment of Te Tai Tokerau can thrive into the future.
Strategic Pou 3: Tourism and Destination Management	Support Te Tai Tokerau's visitor industry through delivery of destination management and marketing activity that aims to better manage the impacts of visitation, improve the distribution of benefits and enhance our region's, heritage, and culture. Position Te Tai Tokerau Northland within target markets as a desirable place to visit.
Enabler 1: Innovation & Enterprise	Support SME's and Start Ups who want to start or grow their business in Te Tai Tokerau Northland.
Enabler 2: Advocacy and Brand	Advocate for Te Tai Tokerau Northland to improve the economic well-being of the region, helping to support strong communities and environmental sustainability. Develop and improve the profile of economic development and of Northland Inc to ensure that Te Tai Tokerau Northland understands and values the efforts of Northland Inc.
Enabler 3: Māori Economic Development ("Āe Mārika"!)	Assist strategic partners in the Māori Economic Development economy with their high impact Māori economic development projects across all levels, with a specific focus on improving capacity and capability of those with whom we partner with for delivery.
Enabler 4: Environmental Sustainability	Help Te Tai Tokerau Northland businesses achieve environmental sustainability; particularly by reducing their emissions; through partnerships that provide support and practical programmes.
Enabler 5: Partnerships	Develop and nurture high trust partnerships across the region with those who have the capability to positively impact economic development outcomes across Te Tai Tokerau.
Enabler 6: Organisational Culture and Capability	At its core, regional economic development is about improving the livelihoods of the Tai Tokerau Northland's people. As an economic development agency, our culture should therefore be focused on supporting our people and their livelihoods. Therefore, Northland Inc actively upholds a culture where teams are respectful and supportive of one another; our histories, our whānau, and our aspirations.

Investment and Growth Reserve

Northland Inc Limited's activities include a focus on finding economic development projects that qualify for funding through the IGR. The objective of the reserve is to provide a fund that shareholder councils can use to support strategic investments that lift the long-term growth of the Northland economy that support strong communities and environmental sustainability. All three shareholder councils contribute funding to the IGR, and through their membership of the Joint Regional Economic Development Committee, have responsibility for allocating funding from the IGR. The main criteria for allocation are as follows:

- The reserve provides operational expenditure for Northland Inc Limited.
- Up to $300,000 per annum can be used for project development funding.
- Responsibility for allocating project development funding of up to $100,000 is delegated to the Board of Northland Inc Ltd.
- The reserve can be used to provide enabling investment funding for projects that lift the economic performance of Northland through the construction of public or community held infrastructure or the development of regionally strategic sectors. The strategic sectors identified in the 2023-26 Statement of Intent are aquaculture, agriculture and horticulture, digital, tourism, ship and boat building and repair services.
- Any project that is determined to potentially have significant adverse impacts on social, environmental, economic, or cultural well-being will not be eligible for funding, regardless of the positive impacts.
- Decisions on enabling investment funding must have been considered and evaluated for funding by the Board of Northland Inc Ltd.
- Applications for enabling investment funding must be accompanied by a robust business case.

Key performance measures and targets

This section summarises the results of Northland Inc Limited's activities during 2025/26 against the 18 key performance indicators set for seven of the work areas. Key performance indicators were not set for enablers 5 and 6.

Investment and Infrastructure

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Number of inward delegations hosted	3	Achieved, 6
Number of high impact projects that are implemented	4	Achieved, 6

The Primary Sector (Tuputupu Grow Northland)

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Projects assisted through stages of growth	6	Achieved, 6
Number of meaningful engagements and relationships with landowners, businesses, stakeholder that led to and support positive outcomes	88	Achieved, 88
Number of businesses and landowners that as a result of engagement are exploring, developing, leading and delivering on change activity	24	Not achieved, 11

Tourism and Destination Management

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Number of destination marketing campaign initiatives to generate national exposure to the region	1 campaign per year	Achieved, 3
Number of Destination Management Plan initiatives completed in partnership with stakeholders	6	Achieved, 6

Innovation and Enterprise

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Number of business engagements assisted	250	Achieved, 354
Proportion of those businesses assisted that are Māori	35%	Not achieved, 33%
Client satisfaction with businesses assistance provided by Northland Inc as measured by Net Promotor Score	NPS>50	Achieved, 83

Advocacy and Brand

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Number of regional economic development updates or reports released	6	Achieved, 8
Number of media features that profile the region	24	Achieved, 39
Number of media activity that references Northland Inc	52	Achieved, 53

Māori Economic Development

The 2025-26 key performance targets and results for this work area are:

Measure	2025-26 performance target	Result
Number of iwi/hapū groups and other Māori organisations, e.g., marae, land trusts, etc. actively supported	18	Achieved, 25
Proportion of Māori organisations that are satisfied with Northland Inc support	>80%	Achieved, 87%

Environmental sustainability

The 2025-26 key performance targets and results for this objective are:

Measure	2025-26 performance target	Result
Number of businesses and organisations supported to improve their climate resilience journey	20	Achieved, 44
Number of Northland businesses taking action to reduce their emissions	20	Achieved, 44
Number of Northland businesses supported to meet climate adaptation targets set by Central Government	20	Not applicable[1]

Notes:

1. Climate adaptation targets have not been set by Central Government and therefore this KPI is not achievable. However, there is a level of policy direction available from Central Government and Northland Inc has been supporting a number of initiatives that align with this. Two key examples are the Diversified Pastures Project and the Tourism Carbon Footprint Programme.

There were no enabling investment project allocations made in 2025-26 by the Joint Regional Economic Development Committee. Four projects received project development funding totalling $165,000.

Regional Software Holdings Limited

Regional Software Holdings Ltd (RSHL) is the Shared Services organisation of Te Uru Kahika. Te Uru Kahika is the collective of the 16 regional councils and unitary authorities that make up the regional sector. All 16 Regional and Unitary Councils in New Zealand are customers of RSHL.

RSHL delivers a wide range of Digital, Operational and Financial programmes, on behalf of Te Uru Kahika, and participating councils.

In the 12 months to 30 June 2025, RSHL made excellent progress in a challenging environment for the sector. In the current economic and political climate, shared services, collaborative undertakings and new ways of working are more important and valuable than ever. RSHL's major technology programmes, such as IRIS NextGen, will provide long-term operational efficiencies and cost savings to councils as well as the wider Aotearoa New Zealand well-beings.

RSHL continues to work closely alongside Te Uru Kahika to support regional initiatives.

During the year RSHL continued the rollout of the WellsNZ solution and more councils onboarding into this shared programme in FY26.

The shareholding of the Company as at 30 June 2025 is as follows.

Shareholding

Organisation	Class A (Control) Shares	Class B (IRIS) Shares
Waikato Regional Council	1	3,275
Northland Regional Council	1	1,675
Horizons Regional Council	1	1,550
Taranaki Regional Council	1	1,550
Southland Regional Council	1	1,550
West Coast Regional Council	1	400
Bay of Plenty Regional Council	1	
Gisborne District Council	1	
Hawkes Bay Regional Council	1	
Otago Regional Council	1	

Our council's experience

For Northland, the opportunity to focus on collaboration to projects continues to bring together the best ideas, practices and experiences into solutions that are fit for purpose, perform well and achieve more through working together for the sector.

Performance Measures

The following performance measures were incorporated into the Statement of Intent for the 2024-25 financial year.

Non-financial	1 July 2024 - 30 June 2025
All projects and programmes will follow an appropriate approval pathway for their size, scope and complexity.	In the period 1 July 2024 – 30 June 2025 the following projects were initiated at RSHL. - Data Emissions Platform Project - Public Transport Ticketing Programme - Planning Management System
All programmes will have an effective governance structure appropriate to the size and complexity of the programme.	In the period 1 July 2024– 30 June 2025 all projects/programmes operated governance structures as agreed with participating councils, and in accordance with the RSHL Governance Framework.
All programmes will have an effective planning process. Draft plans and budgets will be set before 1 March, final plans and budgets will be set by 30 June.	**IRIS NextGen** The IRIS NextGen Programme Budget was updated and endorsed by the Steering Group in February, for inclusion in the Draft Statement of Intent. The final unchanged budget was endorsed by the Steering Group in June for inclusion in the Statement of Intent. **IRIS** The IRIS Programme Budget was updated and endorsed by the Advisory Group in February, for inclusion in the Draft Statement of Intent. Participating councils had the budget approved by a staff member with appropriate delegation. The final unchanged budget was endorsed by the Advisory Group in June for inclusion in the Statement of Intent. **Te Uru Kahika Hosting** Te Uru Kahika developed a new business plan in the first part of 2025. Because of this the budget included in the draft statement of intent was indicative only.

	Te Uru Kahika RCEOs Group approved the new business plan in May and a final budget in June and this was included in the Statement of Intent. Te Uru Kahika's Business Plan and Budget development was overseen by the Te Uru Kahika Executive Director. **Local Data Emissions Platform** The Local Data Emissions Platform was rolled out to councils in FY25. The implementation programme used an ad-hoc funding model. As part of the implementation and validation process for the platform a new funding model was developed, which will be used going forward. Validation of the platform was competed between March and June 2025, allowing the FY26 budget, and plan to be reflected in the Statement of Intent. The LDEP implementation programme will end in 2025 and LDEP will operate as a service going forward. **WellsNZ** RSHL operates WellsNZ as a service. Budgets and plans were included in the draft SOI published in February, and updated to reflect two additional councils taking up the service in FY26. **EDMS** N/A. This project has now closed. **Public Ticketing Transport Programme** The Public Ticketing Transport Programme has been disrupted by delays to the National Ticketing System rollout. As such plans and budgets have been updated regularly to reflect the changing situation. The budget included in the Statement of Intent is the latest approved by the programme steering group.
RSHL will review and agree performance targets with Te Uru Kahika annually as part of the planning and budgeting process.	Te Uru Kahika appointed a new Executive Director in February 2025. RSHL has been working with the new Executive Director to develop a new model for RSHL support of Te Uru Kahika. Service improvements are being rolled out over the course of this financial year.
RSHL will meet or exceed agreed performance targets. Results will be agreed with Te Uru Kahika Executive Advisor and shared with RCEOs Group and Board.	**Financial/Operations Management** Procurement and contract management were delivered to an acceptable level in FY25, however in line with the growth of the Te Uru Kahika, several improvements have been implemented: - Update Delegations Policy to incorporate Te Uru Kahika roles and responsibilities. - Implement Financial workflow toolset to manage processing of PO, Payables and Receivables. - Implement PO matching to more closely monitor spend against contract. - Distribute financial approval processes to accountability owners, in line with delegations policy. **Compliance** RSHL ensures compliance with Local Government Act, Companies Act, LGOIMA etc. Including: - Production of draft and final Statement of Intent. - Interim Report - Audited Annual Report RSHL Received a clean audit for FY24. Improvements in this area relate to Information Management. In line with the growth of the organization, we are conducting a review of information management practices, with the intent of updating them and ensuring that they are fit for practice. **Fund Management and Accountabilities** In FY24 RSHL managed $5.1M of funding for Te Uru Kahika, including $0.36M in funding from Central Government. All income and expenditure is ringfenced in RSHL financial systems. In FY26 we will implement the following improvements in this area: - Implement bespoke activity reporting for Te Uru Kahika Strategic Priorities - Implement 6-Monthly reconciliation with budget owner for each fund. **Vendor Management** Most services contracts for Te Uru Kahika are time and materials engagements. RSHL effectively managed the following vendors that support Te Uru Kahika Activities. - Resolution8 provide support for the Te Uru Kahika Hub, hosted at BOPLASS. - IT Effect operate the LAWA Website and provide development resources for enhancements. IT Effect are managed by the EMAR Programme Manager - MadeCurious host the N-Cap solution and the temporary INFDP "Bridge" solution. No improvements are planned in this area, other than the upgraded financial controls outlined above. **Operation of shared services/solutions** RSHL operated the following services for Te Uru Kahika. - **Te Uru Kahika Hub** – Collaborative Microsoft Teams site hosted by BOPLASS - **N-Cap** solution for the recording of nitrogen application by farmers. A requirement of current freshwater regulations. - **Retrolens** website, which provides historic aerial imagery. Each service has an appropriate governance and operating model. Costs are managed within agreed limits and appropriate budget advice was provided to Te Uru Kahika. In FY26 we will implement the following improvements in this area: Quarterly service reviews with business owners to assess performance and value received.

	Employment of Staff RSHL provides employment services for 10 Te Uru Kahika staff. Recruitments have been managed by Te Uru Kahika staff and governors, supported by specialist HR advice provided via RSHL. In FY26 we have implemented or will implement the following improvements: - Provided a comprehensive Employee wellbeing service. - Engaged a new IT service provider with national coverage to provide staff with better service. - We will also engage staff on improvements to the RSHL employee experience and streamline onboarding/offboarding. **Programme Management** In FY2025 RSHL managed the following programmes for Te Uru Kahika. - INFDP – INFDP Programme was closed this year due to a change in government policy - EDMS – EDMS project was closed as it was no longer aligned with council or sector needs. In FY26 RSHL is supporting the development of feasibility studies for multiple Te Uru Kahika projects, with the first two being - National Flood Modelling - Flood Asset Management Data Portal (Te Uru Kahika River Managers) RSHL is continually seeking to improve our delivery for programmes. In FY26 we will roll out the Delivery Framework to provide a standard management framework for all RSHL Programmes (including those that originate from Te Uru Kahika. RSHL will also establish Portfolio Reporting to provide all stakeholders with greater visibility of programmes in flight.
RSHL will operate within approved budget, with any material variations approved by the board.	Partially Achieved. RSHL operated within approved budgets for all programmes but with some variations approved by the board. The board received and accepted the financial reports at each meeting, with variances discussed and agreed.
RSHL will meet all statutory governance and reporting deadlines.	**FY24 Annual Report** Requirement: Annual Report (audited) must be published and provided to shareholders by 30 September. Result: FY24 was adopted on 26 September 2024. **FY25 Interim Report** Requirement: The Interim Report must be published and provided to shareholders by 28 February. Result: FY25 Interim Report was adopted on 28 February 2024. **FY26 Draft Statement of Intent** Requirement: The draft statement of intent must be delivered to councils on or before 1 March 2025. Result: The draft statement of intent was provided to councils on 28 February 2025. **FY26 Final Statement of Intent** Requirement: The final statement of intent must be delivered to councils before 1 July 2025. Result: The final statement of intent was provided to shareholders on 30 June 2025.
The RSHL board will operate according to the Institute of Directors' Code of Practice.	The RSHL board elected to complete an independent review of governance arrangements for RSHL. The independent review was completed in November 2024. The report made several recommendations to improve the governance of RSHL, and programmes of work delivered by the company. The review provided a series of recommendations, including the following. **Purpose and strategy** Recommendation: Update corporate purpose and develop strategic roadmap (multi-year strategy); align resources and programmes to suit. In response to this recommendation the board has refreshed the Organisational Strategy and developed a 3-year strategic plan. **Governance practices and documentation** Recommendation: Establish a fit-for-purpose governance framework (board charter and code of conduct, board work programme and meeting schedule, and committee structure). In response to this recommendation the board has: - Adopted a new charter and code of conduct - Increased meeting frequency to monthly, with quarterly in-person meetings - Reviewed the RSHL board pack, to ensure management reports are consistent with board requirements, strategic roadmap and associated priorities **Decision authorities and accountability** Recommendation: Establish a needs-meeting delegation authority and accountability framework covering both routine operations and service development programmes. Recommendation: Update programme steering committee terms of reference. In response to these recommendations n the board has updated the Delegated Authority (and related policies), and updated the standard agreements that underpin RSHL activities. **Director capability and engagement** Recommendation: Consider appointing an independent chair. In response to this recommendation, as signalled with the Statement of Intent, RSHL has appointed an independent chair.

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Northland
REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

September 2025 Review of Northland Regional Council Annual Report and Audit Process

– **compiled by Steve Watene (Councils Independent Risk Advisor)**

The audit process was again conducted on time and to plan. This was despite the enormous accounting complexities in correctly recording the reorganisation of Northport Group Limited. This process involved deconsolidating Marsden Maritime Limited as a subsidiary, derecognising Northport Limited as a joint venture and then recognising Northport Group Limited as a joint venture. NRC's financial and accounting management team showed their vast years of experience in the process, which was again demonstrated in the lack of adjustments required to the Draft results that were originally prepared. The team continue to have professional working engagement with the auditors, which is essential when working to tight deadlines. Audit Fees are always going to be an issue, and I would encourage Council to engage in robust discussions re future fees as I do not believe that we will have the same degree of complexity or audit effort in future years.

The annual report highlights the council's responsible financial management and key achievements over the year. The council maintained a strong and resilient balance sheet, which is essential for weathering economic and environmental challenges and supporting sustainable growth.

The Council surplus exceeded expectations yet remained within a range deemed prudent and responsible. The surplus achieved by the Regional Council as a result of higher than anticipated returns on investments coupled with a small operational surplus through efficient budget management has been carried forward to help reduce future rates.

As reported in August 2025 the Council achieved 38 of its 49 Measures. 1 is on track to being achieved and 4 have not been achieved due to reasons outside of council's control. The remaining 6 were not achieved for various reasons and should be accepted as things that the council could improve on.

The Council's balance sheet continues to show strong liquidity, low debt levels, and a diversified asset base. The council's strong balance sheet provides financial resilience, enabling it to respond to unforeseen events and invest in future needs.

Overall, the report demonstrates a responsible approach to local governance, balancing financial sustainability with community needs.

Deloitte.

Northland Regional Council

Report to the Council for the year ended 30 June 2025

12 September 2025

MAKING AN IMPACT THAT MATTERS since 1845

Purpose of report

This report has been prepared for the Council of Northland Regional Council and is part of our ongoing discussions as auditor in accordance with our engagement letter and master terms of business dated 9 May 2025 and as required by New Zealand auditing standards.

This report is intended for the Council and should not be distributed further. We do not accept any responsibility for reliance that a third party might place on this report should they obtain a copy without our consent.

This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Council. The ultimate responsibility for the preparation of the financial statements rests with the Councillors.

Responsibility statement

We are responsible for conducting an audit of Northland Regional Council for the year ended 30 June 2025 in accordance with the Office of the Auditor General's (OAG) auditing standards which incorporate New Zealand auditing standards issued by the NZ Auditing and Assurance Standards Board. Our audit is performed pursuant to the requirements of the Local Government Act 2002 with the objective of forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the Council. The audit of the financial statements does not relieve management or the Councillors of their responsibilities.

Our audit is not designed to provide assurance as to the overall effectiveness of the Group's controls but we will provide you with any recommendations on controls that we may identify during the course of our audit work.

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Our final report

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Introduction

Dear Committee members

We are pleased to provide you with the results of the audit of Northland Regional Council (the 'Group') for the year ended 30 June 2025. Included in this report are the results and insights arising from our audit which we consider appropriate for the attention of the Council. These matters have been discussed with management and their comments have been included where appropriate. We also include those matters we are required to report to you in accordance with the auditing standards. As a result, this report is intended for the Council and should not be distributed further.

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

We hope the accompanying information will be useful to you, and we look forward to answering your questions about our report.

Yours sincerely,

Bennie Greyling, Partner
for Deloitte Limited
Appointed Auditor on behalf of the Office of the Auditor General
Auckland | 12 September 2025

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Executive Summary

This executive summary details the key matters arising from our audit

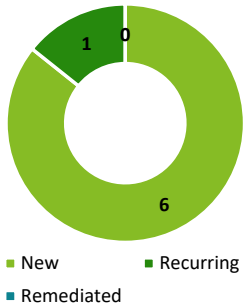
Key areas of audit focus		Status
1	Asset valuations and assessment of carrying values of assets	✓
2	Governance and valuation of investment assets	🔑
3	Management's ability to override controls	✓
4	Public Sector Procedures – OAG brief	🔑
5	Marsden Maritime Holdings Limited Transaction	✓

✓ Completed, no issues noted. 🔑 Completed, insights identified. 🔑 Completed, significant findings identified.

Misstatements and deficiencies

($000)	As presented	Aggregate unadjusted misstatements		Adjusted Balance
		Previously reported	New	
Assets	445,628	-	-	445,628
Liabilities	(81,201)	-	-	(81,201)
Equity	(364,427)	-	-	(364,427)
Net Income	59,316	-	-	59,316

Control deficiencies



Matters of interest

Marsden Maritime Holdings Limited Transaction

The Council amended its Long Term Plan on 22 April 2025 in light of its proposed sell-down of its majority stake in Marsden Maritime Holdings and subsequent establishment of a newly formed entity together with other investors. The transaction occurred on 26 June 2025. As a result of the change in council's shareholding (down from 53% to 43%), the new entity is now accounted for as a Joint Venture under PBE IFRS. The change in control resulted in the derecognition of all assets and liabilities, including minority interest in MMH at 26 June 2025 and the resulting gain or loss arising from the transaction being recognised in profit or loss.

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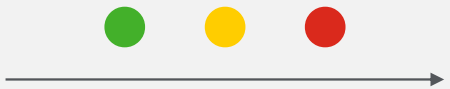
Areas of audit focus – dashboard

Financial statements dashboard

The following areas of audit focus are consistent with the areas identified in our planning report

Area of audit focus	Significant risk	Relied on controls	Level of management judgement required	Findings	Page #
Asset valuations and assessment of carrying value of assets	✓	✗	●	✓	9
Governance of valuation of investment assets	✗	✗	●	🔍	10
Management override of controls	✓	✗	N/A	✓	11
Public sector procedures – OAG brief	✗	✗	●	🔍	12
Marsden Maritime Holdings Limited Transaction	✗	✗	●	✓	13

Level of management judgement required



Findings

✓ Completed, no issues noted

🔍 Completed, insights identified

🔍 Completed, significant findings identified

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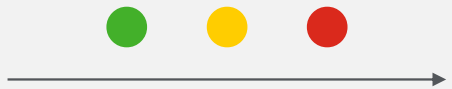
Areas of audit focus – dashboard

Service performance information dashboard

The following areas of audit focus are consistent with the areas identified in our planning report

Area of audit focus	Significant risk	Relied on controls	Level of management judgement required	Findings	Page #
Statement of Service Performance	✖	✖	●	🔍	14

Level of management judgement required



Findings

✓ Completed, no issues noted

🔍 Completed, insights identified

🔍 Completed, significant findings identified

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Areas of audit focus

Area of audit focus	Our approach	Audit findings
Asset valuations and assessment of carrying values NRC recognises the following classes of asset at fair value in the current year: • Infrastructure assets; • Land and buildings; • Investment properties; • Emissions trading units; • Forestry assets Determining the fair value of assets requires management and independent valuers to make a number of judgments around the appropriate valuation methodology and assumptions. Valuation outcomes are often sensitive to variations in the key assumptions. This gives rise to a risk around the valuation of these assets at year-end and the treatment of movements in fair value during the year. For asset classes that are not revalued, council is required to assess whether the carrying value is not materially different from fair value.	In order to address this risk we: • Obtained the independent valuations of the relevant asset classes that were revalued; • Obtained representations directly from the independent valuers confirming their valuation methodology; • Reviewed the key underlying assumptions used by the independent valuers to determine whether these assumptions were reasonable and in line with the relevant financial reporting and valuation standards; • Held discussions with the valuers if and when considered necessary; • Tested whether the revaluation transactions are correctly accounted for and disclosed in the financial statements; • For asset classes that were not revalued in the current year, we have obtained material change letters to ensure the valuation is still appropriate in the current year.	• Infrastructure assets increased by $8.7m in the current year attributable to additions amounting to $1.172m, transfers from WIP to infrastructure assets of $7.880m and depreciation expense of $356k. There has been no revaluation on infrastructure assets for the year ended 30 June 2025, the most recent revaluation was performed on 30 June 2023. • Land and building have increased by $1.1m attributable to a upwards revaluation of $1.105m. • Investment properties have increased by $2.8m, the main reason for the increase is due to fair value gains on valuation of $3.4m, offset by $755k of disposals. Infrastructure assets, unlike investment property and forestry assets, are required to be revalued on a three yearly basis. The most recent revaluation was performed on 30 June 2023 (two financial years ago). Management have concluded that the fair value of infrastructure assets are not materially different from their carrying values. To test the reasonableness of management's assessment, we read the material change letter from Aon with increases in classes of assets across the 2024/2025 financial year and tested certain key assumptions / observations to observable market information. We concur with management's conclusions in relation to assets and revaluations.

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Areas of audit focus

Area of audit focus	Our approach	Audit findings
Governance and valuation of investment assets NRC has a significant portfolio of investment assets. The strategy around the use of this investment portfolio and the returns received are an important component of Council's funding of its activities. This gives rise to risks around the robustness of governance processes around these investments, the valuation of the investments at year-end, and whether the appropriate accounting treatment has been applied in respect of those valuations, as well as the fair value movements.	In order to address this risk, we: • Evaluated the governance processes and controls around investment assets. This will involve determining whether investment mandates and parameters are monitored as part of governance arrangements, including the risk/return strategy employed and the adequacy of reporting in this area; • Ascertained the quality of controls in place at the investment manager and custodian by obtaining internal control audit reports; • Determined whether underlying funds were part of audited financial statements at the fund manager level for a selection of investments; • Obtained confirmation of investment asset fair values at year end; • Reviewed the accounting treatment applied to investment assets against relevant financial reporting standards; and • Reconciled and validating the cash movements in and out of the investment funds	We note the good governance processes that revolve around an approved SIPO document and the regular monitoring against these investment parameters. The investment returns generated in recent years, and the recycling of various investment assets mean the amount invested in funds is now $114m (FY24: $78.3m). NRC has undertaken a more fulsome review of its risk appetite to set a benchmark and target range for each managed fund based on asset type and investment market. Such a review could also cover the remuneration arrangements of the investment advisors and fund managers to ensure these remain appropriate and in line with industry practice. Council has also gone through an RFP process lasty ear for the investment advisor service and the incumbent was appointed for a further one-year term. We raise a recurring control finding in relation to the fact that Council continues to hold investments in 6 funds (2024: 6) that do not produce audited internal controls reports. The investment in non-complying fund managers represents 6.88% of the total investment portfolio (2024: 5.48%).

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Areas of audit focus

Area of audit focus	Our approach	Audit findings
Management override of controls We are required to design and perform audit procedures to respond to the risk of management's override of controls.	As part of our testing of the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the Group financial statements, we performed the following testing: • Obtained an understanding and evaluated the financial reporting process and the controls over journal entries and other adjustments made in the preparation of the Group financial statements; • Tested the appropriateness of a selection of journal entries and adjustments and made enquiries about inappropriate or unusual activities relating to the processing of journal entries and other adjustments; • Reviewed significant accounting estimates for biases that could have resulted in material misstatements due to fraud and assessed whether the judgements and decisions made (even if individually reasonable) indicated a possible bias on the part of management; • Performed a retrospective review of management's judgements and assumptions relating to significant estimates reflected in last year's Group financial statements; and • Obtained an understanding of the business rationale of significant transactions that we became aware of that were outside the normal course of business or that otherwise appeared to be unusual given our understanding of the entity and its environment.	• We have not identified material issues in this area.

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Areas of audit focus

Area of audit focus	Our approach	Audit findings
OAG Audit Brief and Other Items **OAG Audit Brief** The OAG Audit Brief has been updated (no material impacts for 2024/25 audit). The main areas of focus include: • **Recovery from significant weather events, related party transactions, conflicts of interest and severance payments** • **Legislative compliance** • **Effectiveness, efficiency, waste and probity:** Good practice involves the establishment of policies and controls to ensure that expenses have a justifiable business purpose, preserve impartiality, have been made with integrity, are moderate and conservative, have regard to the circumstances, have been made transparently, and are appropriate in all respects. • **Procurement:** Procurement is an area of focus for the work programme of the Auditor-General (OAG) and while no specific projects have been identified relating to local government at this stage for 2024/25, it is expected that major capital projects and significant procurement activity are areas where audit effort is focused. • **Central government/stimulus funding:** It is important that Council is accounting for this funding in accordance with PBE accounting standards, being transparent with communities and meeting any obligations. • **Climate Change:** Climate change is an area of focus for the work programme of the OAG as Local government is becoming a focus for climate change related action. The OAG focuses on the Councils ability to provides for the resilience of infrastructure assets to the risk of natural hazards, including making sufficient financial provision to respond to these risks.	In order to address this risk, we: • Met with management to update our understanding of the plans and processes in place to address the focus areas of the OAG, including understanding any information requests from central government organisations during the period. For significant weather events we have discussed with management the overall impact on damages, amounts claimed to date and future operating and capital expenditure. • For funding received, we reviewed contracts and focused on the risk that income may not be recoded in the appropriate accounting period due to incorrect recognition or deferral. This could arise from incorrectly identifying conditions or restrictions associated with revenue transactions or incorrectly applying the contractual terms associated with the timing of when income is recognised. • Assessed policies and procedures in place for expense and procurement processes, and tested a sample of expenses for the appropriateness against good practice and other guidance issued as relevant for Northland Regional Council. Our tests focused primarily on sensitive expenditure such as board and senior management pay, travel and expenses, large contract tenders, related party transactions, and payments to offshore locations. • Our audit procedures on related party disclosures included ensuring any entries in the interest's register were individually assessed, and those which met the definition of a related party transaction during the year were disclosed in the Annual Report. This included remuneration disclosures relating to the Councillors and key management personnel	**Conflicts of Interest:** In testing the conflict-of-interest declarations we noted no issues. **Legislative Compliance:** In testing the Pecuniary Interests Register we noted no issues. **Effectiveness, efficiency, waste and probity** In testing effectiveness, efficiency, waste and probity we identified some findings and these are outlined in page 15-17.

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Areas of audit focus

Area of audit focus	Our approach	Audit findings
Marsden Maritime Holdings Limited Transaction The Council amended its Long Term Plan on 22 April 2025 in light of its proposed sell-down of its majority stake in Marsden Maritime Holdings and subsequent establishment of a newly formed entity together with other investors. The transaction occurred on 26 June 2025. As a result of the change in council's shareholding (down from 53% to 43%), the new entity is now accounted for as a Joint Venture under PBE IFRS. The change in control resulted in the derecognition of all assets and liabilities, including minority interest in MMH at 26 June 2025 and the resulting gain or loss arising from the transaction being recognised in profit or loss. Due to the significance of the transaction and the potential complexities associated with the accounting of it, management sought external advice on the accounting treatment in the financial statements.	We have: • Reviewed the external accounting advice obtained by management and considered the appropriate treatment and disclosure in the financial statements. • Tested the amounts recorded in the financial statements to supporting evidence; • Considered the appropriateness of management's conclusion that the remaining investment in Northport Group limited represents a Joint Venture; • Tested the change in control resulting in the derecognition of assets and liabilities, including minority interests in MMGL at 26 June 2025 and the resulting gain arising from the transaction being recognised in profit or loss; • Tested the appropriateness of the accounting entries and disclosures in the annual report.	We have not identified material issues in this area however, we note that the loss of control over MMH represents a Discontinued Operation under the accounting standards. Whilst appropriate disclosure has been made in the notes to the financial statements, the information is technically required to be disclosed on the face of the Statement of Comprehensive Revenue and Expense.

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Areas of audit focus (cont.)

Matters raised by the OAG

Area of audit focus	Our approach	Audit findings
Statement of service performance The Council's annual report is required to include an audited Statement of Service Performed ('SSP') which reports against the performance framework included in the LTP. The SSP is an important part of Council's annual performance reporting and it is important it adequately "tells the performance story" for each Group of activities. We have considered whether the service performance information: • Is based on appropriately identified elements (outcomes, impacts, outputs), performance measures, targets/results; and • Fairly reflects actual service performance for the year (i.e. not just reports against forecast).	• We have reviewed Council's SSP against legislative requirements and good practice. This includes checking consistency with the performance framework included in the 2024-2024 LTP and 2024/2025 annual plan. • We have understood from management how they intend to ensure the completeness and accuracy of underlying data forming part of the performance measures. • We have tested a sample of the reported performance measures, with a focus on the more significant Council activities; and • We have reviewed the narrative commentary and explanatory information provided in the annual report to ensure that this provides sufficient information to the readers, i.e. "tells the performance story".	We have identified some findings in relation to statement of service performance testing. Please refer to slide 15-19.

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Control findings

Details of findings identified

We set out below the details for the control deficiencies identified, along with the business implication of the deficiencies, recommendations and management response.

Finding/observation	Business implication from control deficiency	Deloitte recommendation and management response	Type of deficiency
Lack of 3402 Internal Controls for certain Funds Invested into by NRC	We noted that there are 5 fund managers with $5.1m (2024: $4.2m) invested that do not conduct a 3402 Internal Controls Report, representing 6.88% of the total investment portfolio (2024: 5.48%). It is a requirement of the SIPO (section 9(d) that fund managers are audited and produce an internal controls report.	We recommend that NRC should seek to invest in funds that get assurance on their internal controls with a 3402 Controls Report. In our view such a control report adds to the governance processes and allows Council, and its investment advisor, to form a view on the quality of systems, process and controls that underpin each of the fund managers. The Statement of Investment Policy & Objectives was amended in December 2021 to stipulate that each underlying fund manager is responsible to undertake an annual audit and produce an internal controls report. Further if a fund manager is unable to comply with this requirement then the investment may be withdrawn. The current SIPO has been reviewed as part of the selection process for a new investment management service. Upon the commencement of the new investment service it is highly likely there will be a reduction in councils exposure to PE and a chance to exist some of the non complying fund managers.	!

Key – Deficiency level

! Significant deficiency

! Deficiency / Process Improvement

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Control findings (continued)

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation and management response	Type of deficiency
Conflict of Interest – Funding Allocation to Marae	During the testing the environmental funding allocation SSP measure "*percentage of tangata whenua environmental funding that is allocated to iwi and hapu to enhance and enable matauranga Māori outcomes that inform council policy development and decision making*", we noted an NRC staff member involved in the funding process declared a conflict of interest, however remained involved in the funding process. While the conflict was declared, there is no record of approval for the staff member's continued involvement in the decision making process and how the process is managed to prevent any actual or perceived bias.	A formal approval and management process exists, additional conflict of interest training will be provided to management.	!
Statement of Service Performance	During the statement of service performance testing, we noted no formal review control in place over the measurement and reporting of the below performance measures: 1. Community Resilience: Number of up-to-date community response plans and marae preparedness in place across the region. There is an absence of continuous review of changes being implemented across preparedness plans. This is either due to missing review or missing documentation of review. While review process for some plans has been noted, this not consistent across all. 2. Community Resilience: A regional oil spill response plan is maintained, including a minimum of up to 30 up-to-date trained responders. Noted this measure is dependent on maintaining 30 responders at all times and reporting occurs on a quarterly basis. However, given is live and location on MNZ WebOC platform, staff involved in measure do not retain quarterly reports as evidence of whether all quarters managed to meet the measure or not.	We recommend the implementation of a formal review control across the performance measure reporting process to strengthen integrity and reliability of data. This includes establishing a review process and maintaining documentation of respective reviews and approvals as audit evidence. A formal review will be undertaken, and we will initiate a review process and maintenance of documentation.	!

Key – Deficiency level

! Significant deficiency ! Deficiency / Process Improvement

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Control findings (continued)

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation and management response	Type of deficiency
Completeness and Currency of Published Community Response Plans – Ahipara Case	As part of our audit procedures over the SSP measure *"Number of up-to-date community response plans and marae preparedness plans in place across the region"*, two versions of the Ahipara Community Response Plan were reviewed. Based on the email correspondences, the original plan dated back to 2018, and an updated version was completed was completed in late 2023/2024. However, the updated plan did not include a publication or revision date, making it difficult to independently verify the timing of the update. A completeness check was performed to confirm whether the most recent version was publicly available on the NRC portal. It was noted that the version published on the portal was the 2018 plan. This was confirmed by comparing the content of the published plan with the updated version. Key updates in the 2023/2024 plan, specifically emergency contact details, were not reflected in the publicly available version. These included: • Addition of the Ahipara Police Station contact number under NZ police. • Inclusion of the Ahipara Fire Station number and a rural fire enquiries hotline under Fire Emergency. • Addition of the local ambulance station phone number under St John. • Include of a Marine Assistance Number under Coastguard. The presence of an outdated plan on the public portal may mislead users and reduce the effectiveness of emergency preparedness efforts. It also raises concerns about the completeness and accuracy of the SSP measure, as the publicly accessible version does not reflect the most recent updates.	We recommend that Council implement a review process to ensure that the most recent versions of all community response and marae preparedness plans are published on the NRC portal in a timely manner. Additionally, all plans should include a clearly visible "last updated" date to support audit verification and provide assurance to the public regarding the currency of the information. Management agree with the recommendation and a procedure will be implemented to address this matter.	!

Key – Deficiency level

! Significant deficiency ! Deficiency / Process Improvement

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Control findings (continued)

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation and management response	Type of deficiency
Appropriateness of SSP measure as a Long-Term indicator – Percentage of actions implemented to reduce flood risk across the region, particularly in the most vulnerable communities, as set out in the flood adaptation work programme.	The SSP measure referenced above has been included in the Council's Long Term Plan (LTP) for the next 10 years. The measure is dependent on annual funding, which is not guaranteed. Furthermore, the initial basis for the measure was the identification of vulnerable communities using GIS mapping, most of which have already been actioned in the current year. This creates uncertainty around the measure's relevance and ability to track meaningful outcomes in future years. The measure may not provide consistent or meaningful performance insights over the long term. Its reliance on variable funding and the completion of initial community actions introduces ambiguity regarding its future utility and alignment with strategic objectives.	We recommend that the measure be reviewed to determine its ongoing relevance and sustainability within the LTP. Management will review this measure as per the recommendation provided.	!

Key – Deficiency level

! Significant deficiency ! Deficiency / Process Improvement

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Control findings (continued)

Details of findings identified

Finding/observation	Business implication from control deficiency	Deloitte recommendation and management response	Type of deficiency
Councillor Non-Compliance – Conflict of Interest Register – Year Ending 30 June 2025 Observation	During the annual review of the Conflict of Interest Register for the financial year ending 30 June 2025, it was noted that one councilor had not signed their declaration as at 30 June 2025. This is a required governance process to ensure transparency and accountability in line with the Council's Code of Conduct and statutory obligations under the Local Government Act 2002. The absence of a signed declaration compromises the integrity of Council's conflict management processes as well as raising compliance risks. We noted that subsequent to 30 June 2025, this was signed.	Formal reminders should be sent to councilors to complete and sign declarations on a timely basis. A review of these should be carried out by staff to ensure compliance met and sign offs across all registers have been noted. Management will review the current procedure with a view to strengthen this to ensure future compliance.	!
Lack of Formal Signed Agreement – Subsidies and Grants	We noted as per Subsidies and Grants testing, the Tsunami Siren Replacement Project there was no formal signed agreement between parties involved. The project proceeded based on informal understanding, with invoices issued and payments received, but without proper documentation or a signed contract outlining each party's roles, responsibilities, and obligations. Noted form of evidence obtained was limited to 2019 Coordinating Exec Group Meeting Minutes and email comms between parties. Without clear documentation, there is potential for misunderstandings or disputes regarding scope, deliverables, timelines or financial commitments.	We recommend that for all projects, formal signed agreements are executed before commencement. These agreements should clearly define each party's responsibilities and deliverables and retained as evidence of agreed terms. For ongoing and future projects, management should review current documentation practices, ensure all projects are supported by comprehensive, signed agreements. Please note, this relates to an unsigned agreement for funding from councils rather than external parties. Management will address this through their current contract management improvement plan project.	!

Key – Deficiency level

! Significant deficiency ! Deficiency / Process Improvement

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Summary of unadjusted differences

We have communicated to management all misstatements accumulated during the audit and have requested that management correct those misstatements. We have obtained an understanding of the misstatements below, and management's reasons for not making the corrections, and based on our evaluations have determined that no uncorrected misstatements individually or in aggregate, have a material effect on the financial statements for the year ended 30 June 2025.

The unadjusted differences we have identified are set out below.

Unadjusted misstatements identified	**Assets Dr/(Cr) ($'000)**	**Liabilities Dr/(Cr) ($'000)**	**Equity Dr/(Cr) ($'000)**	**Profit or loss Dr/(Cr) ($'000)**	**If applicable, control deficiency identified**
Current year:					
None noted					
Prior year:					
None noted					
Total before tax					
Tax effect @ 28%					
Total					

Note: Immaterial balance sheet and income statement reclassifications have not been included in the summary of unadjusted differences

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Summary of adjusted differences

The following differences were identified up to the date of this report which have been corrected by management. We nonetheless communicate them to you to assist you in fulfilling your governance responsibilities, including reviewing the effectiveness of the system of internal control.

Differences identified and adjusted	Assets Dr/(Cr) ($'000)	Liabilities Dr/(Cr) ($'000)	Equity Dr/(Cr) ($'000)	Profit or loss Dr/(Cr) ($'000)	If applicable, control deficiency identified
Current year:					
Reclassification Error – Fees and Charges Income				586 (586)	
Total					

Note: Immaterial balance sheet and income statement reclassifications have not been included in the summary of unadjusted differences

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Summary of omitted disclosures

In performing our audit, the following uncorrected disclosure deficiencies were detected in the consolidated or standalone Council financial statements.

Omitted disclosures assessed by management as not being material	Ref	Management's response
Discontinued Operations Under PBE IFRS 5 para 33 and 34, discontinued operations require presentation and disclosure on the statement of comprehensive revenue and expense, the post-tax profit or loss from discontinued operations must be presented as a single line item, separately from continuing operations. Council has disclosed this information in the notes rather than the primary statements	PBE IFRS 5 para 33, 34, 41 and 43	In conjunction with financial reporting advice sought from BDO, it was considered that the omission of the Marsden Maritime Holding Limited (MMH) result as a single amount in the face of the Statement of Revenue and Expense did not impair a readers ability to understand the financial statements. This decision was made with the objective of enhancing transparency and clarity in the reporting of the MMH transaction. Specifically choosing not to rely on a single figure in the statements directed attention to note 12(i) which was considered to actually improve the quality of reporting. This note not only provided a breakdown of the MMH related financial results (MMG surplus, the carrying value of net assets at time of derecognition) but also provided and referenced detailed commentary on the nature and circumstances of the MMH transaction. Intragroup transactions are required to be eliminated on consolidation, and it is difficult and was considered potentially misleading to allocate these eliminations between continuing operations and discontinued operations. Furthermore, having to also restate the prior year to reflect a single figure for the discontinued operation – while also allocating intra company transactions, was assessed to reduce the level of detail and responsibility. MMH is councils only subsidiary consolidated into the Group and therefore the MMH result could be approximated by subtracting the Group and Parent columns. Overall, the approach adopted was deemed to better serve the readers of the financial statements by providing a more detailed and transaction-focused narrative.

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Our audit report

Matters relating to the form and content of our report

Here we discuss how the results of the audit impact on our audit report.

Our opinion on the financial statements

Subject to completion of outstanding matters discussed below, we expect to issue an unmodified opinion on the financial report.

Going concern

We have not identified a material uncertainty related to going concern and will report by exception regarding the appropriateness of the use of the going concern basis of accounting.

Emphasis of matter and other matter paragraphs

There are no matters we judge to be of fundamental importance in the financial report that we consider it necessary to draw attention to in an emphasis of matter paragraph.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in an other matter paragraph.

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Appendices

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Our audit explained

We tailor our audit to your business and your strategy

Identify changes in your business and environment
We obtain an understanding of changes in your business and environment in order to identify and assess the risks of material misstatement of the financial statements. Our initial assessment, planned audit responses and findings are included in section 1.

Scoping
We conducted our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the NZ Auditing and Assurance Standards Board. When planning the audit, we applied our professional judgement in determining materiality, which in turn provided a basis for our risk assessment procedures and extent of further audit procedures.

In our final report
In our final report to you we will conclude on the significant risks identified in this paper, report to you our other findings, and detail those items we will be including in our audit report.

Understand the control environment
We also obtain an understanding of the control environment, sufficient to identify and assess the risks of material misstatement of the financial statements.
Our approach to internal control is summarised in section 1.

Significant risk assessment / areas of audit focus
Based on our understanding of the Northland Regional Council and key changes / developments during the year, we have identified our areas of audit focus in section 1.

Perform and evaluate
Perform audit procedures as planned and evaluate the sufficiency and appropriateness of audit evidence.

Quality and Independence
We confirm all Deloitte network firms and engagement team members are independent of the Northland Regional Council. We take our independence and the quality of the audit work we perform very seriously.

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Independence and fees (cont.)

Fees

The professional fees earned by Deloitte Limited in the period from 1 July 2024 to 30 June 2025 are as follows:

	CY ($'000)	PY ($'000)	Future services contracted for or written proposals submitted (where applicable) ($'000)
Fees payable for the audit of the Council's Annual Report and summary financial statements	200	190	
OAG overhead	25	18	
Other assurance engagements relating to the Debenture Trust Deed and audit of the Register of Security Stock	12.7	12.2	
Agreed Upon Procedure Engagement relating to the Kaipara Moana Remediation Programme	15	12	
Fraud and corruption risk focused detection analysis	32	32	
Fees payable for the audit of the Council's Long-Term Plan	-	100	
Marsden Maritime Holdings Limited Transaction	8	-	
Total Services	292.7	364.2	

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Other communications

Additional matters we report to you in accordance with the requirements of New Zealand auditing standards

Accounting policies / Financial reporting	We have not become aware of any significant qualitative aspects of the Group's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to you.
Related parties	No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, need to be communicated to you.
Written representation	A copy of the representation letter to be signed on behalf of the Council has been circulated separately.
Other information	We have read the other information (the financial and non-financial information other than the items covered by our audit report; being the financial statements, groups of activity disclosures, financial prudence disclosures) contained within the annual report to consider whether there are material inconsistencies with the audited information. We have nothing to report in this regard.

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TITLE: Financial Report to August 2025

From: Taka Skipwith, Financial Accountant

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 12 September 2025

Whakarāpopototanga / Executive summary

This report details the YTD financial results on 31 August 2025. The council has achieved a YTD surplus of $528k after transfers to and from reserves, which is $229k higher than the Adopted Amended budgeted surplus of $299k. The budget reported is the Adopted Amended budget.

Ngā mahi tūtohutia / Recommendation(s)

1. That the report 'Financial Report to August 2025' by Taka Skipwith, Financial Accountant and dated 10 September 2025, be received.

Background/Tuhinga

The operating surplus, before transfers to and from reserves, for the YTD period ending 31 August 2025, is $621k which is higher than the adopted amended budget of ($395k) by $1.0m, refer to Table 1. The operating surplus *after* transfers to and from reserves is $229k higher than the corresponding adopted amended budget.

Table 1

Operating Statement

YTD ending August 2025

Total Council	*YTD Actual 2025-26 $000's*	*YTD Adopted Amended Budget $000's*	*VARIANCE $000's*	*Variance %*	*Full Year Adopted Amended Budget 2025-26 $000's*	*Full Year Revised Budget 2025-26 $000's*
Operational Revenue						
Rates	$9,579	$9,460	$119	1.3%	$56,758	$56,758
User Fees and Sundry	$2,079	$1,992	$87	4.4%	$5,925	$6,015
Grants and Subsidies	$568	$1,540	($972)	-63.1%	$11,132	$12,423
Investment Interest Income	$466	$121	$345	285.1%	$2,641	$2,668
Investment Property Income	$409	$291	$118	40.5%	$3,469	$3,496
Forestry Income	$0	$0	$0	-	$0	$0
Dividend Income	$0	$0	$0	-	$0	$0
Long Term Fund Gains	$820	$443	$377	85.0%	$4,057	$4,057
Short Term Fund Gains	$16	$39	($23)	-59.3%	$442	$442
Other Gains - Joint Venture Holdings					$4,171	$4,171
Total Revenue	**$13,936**	**$13,886**	**$50**	**0.4%**	**$88,594**	**$90,028**
Expenditure by Group						
Regulatory Services	$1,087	$1,027	($60)	-5.9%	$5,607	$5,640
Environmental Services	$2,067	$2,286	$220	9.6%	$15,040	$15,166
Biosecurity	$1,871	$2,275	$404	17.8%	$15,126	$15,496
Strategic Partnership and Engagement	$957	$1,403	$446	31.8%	$10,819	$8,973
Community Resilience	$2,642	$3,569	$928	26.0%	$17,051	$17,776
Corporate Services	$4,340	$3,310	($1,030)	-31.1%	$22,618	$25,292
CEO Office	$351	$410	$58	14.2%	$2,144	$2,161
Total Expenditure	**$13,315**	**$14,280**	**$966**	**6.8%**	**$88,405**	**$90,504**
Net (Cost)/Surplus of Service before transfer from/(to) Special Reserves	$621	($395)	$1,016	**-4.7%**	$189	($476)
Total Transfers from/(to) Special Reserves	**($93)**	**$693**	**$786**	**113.4%**	**$752**	$1,417
Net (Cost)/Surplus of Service after transfer from/(to) Special Reserves	**$528**	**$299**	**$229**	**76.8%**	**$941**	**$941**

The main contributing factors for the YTD surplus are.

YTD Operating Revenue (table 4) surplus of $50k is 0.4% of the budget and predominantly due to:

- Higher than planned gains from managed investments funds of $353k, which is 73.2% higher than budgeted. Refer to Table 3.
    - Actual fund performance YTD is $836k against a budget of $482k,
    - $119k of the gains were required for standard operations, CCO support and management fees. A further $192k was not required for standard operations and therefore recapitalised.
    - If all gains were utilised as budgeted the net surplus would increase by $157k resulting in a YTD surplus of $510k.
- Lower than planned subsidies, due to timing of subsidy revenue and, and the cost matching recognition of revenue for some programmes.

YTD Operational Expenditure (table 5) surplus of $966k which is 62% of the budget, mainly due to:

- Salary savings across all of council of $288k, refer table 2
- Emergency services grant not yet distributed, in line with the corresponding budget $860k. Then annual sponsorship for the Northland Emergency Services is expected to be disbursed in September.

Net Salary savings across all of council for the YTD is $288k, due to the vacancies across council, partially offset by annual leave owed to staff, redirected salaries, and other employment costs. As at this month $39k has been allocated from salary savings for the increase in cost for the photoblique geospatial software for multiple groups in council

Table 2

SALARY VARIANCE	000's
Gross salary variance	$655
Add: Annual leave movement	($186)
Less: YTD August 2025 redirected salary savings	($142)
Less: Other employment costs higher than YTD Budget	($39)
NET SALARY VARIANCE	**$288**

Reserve Movements

For the year to date there has been a net transfer **to** reserves of ($93k) compared to a budgeted net transfer **from** reserves of $693m. The variance of $786k, is due mainly to

- Emergency services grant funding yet to be allocated of $875 that is funded from the emergency services reserve.
- Additional reserves movements listed in Table 6, contribute to the variance reported.

Capital Expenditure

Capital expenditure YTD amounts to $1.6m and is ($1.08m) higher than the corresponding budget of $547km at this stage of the year. This is due mainly to

- Multiple river projects ahead of budget of ($1.09m) due to progression of river works programmes.

Table 3

Managed Funds

YTD ending August 2025

Total Council	*YTD Actual 2025-26 $000's*	*YTD Adopted Amended Budget $000's*	*VARIANCE $000's*	*Variance %*	*Full Year Adopted Amended Budget 2025-26 $000's*	*Full Year Revised Budget 2025-26 $000's*
Operational Revenue						
Short Term Funds	$16	$39	($23)	-59.3%	$442	$442
Long Term Funds	$820	$443	$377	85.0%	$4,057	$4,057
TOTAL FUND GAINS /(LOSSES) (excludes interest from TD's and loans issued)	**$836**	**$482**	**$353**	**73.2%**	**$4,499**	**$4,499**
Gains transferred From (To) Special Reserves representing reinvestment	($192)	($36)	($157)	436.6%	($1,312)	($1,312)
Gains allocated for budgeted operations, Northland Inc and management fees.	($119)	($119)	$0	-0.2%	($1,831)	($1,831)
GAINS available for general funding	**$524**	**$327**	**$197**	**60.2%**	**$1,356**	**$1,356**

Table 4

Total Council Operational Revenue

YTD ending August 2025

Revenue Type	*YTD Adopted Amended Budget FAV / (UNFAV)*		*Commentary*
	$ 000's	*%*	
Rates	$119	1.3%	• Higher than budgeted rates due to an increase in SUIP's for this years rates strike
User Fees and Sundry	$87	4.4%	• Higher than budgeted management fees including consent monitoring and coastal compliance received of $466k, offset by • Lower than budgeted Marine biosecurity, navigation bylaw fees and Hatea River funds of ($200k), and • Lower than budgeted Nursery sales of ($70k) and Bus fare income of ($78k) due to timing.
Grants and Subsidies	($972)	-63.1%	• Lower than budgeted NZTA Subsidies of ($316), due timing of claims and lower claims from NZTA. **MPI Subsidies** • Lower than budgeted subsidy of ($98k) for the Caulerpa programme. The revised budget variance is ($22k) lower than budget due to cost matching. • Lower than budgeted subsidies received for the Wild Rice programme of ($60k) **MfE Subsidies** •Lower than budgeted subsidies for Land Managements roles of ($192k) due to timing cost of recognition. **Other Subsidies & Grants** • Higher than budgeted subsidy for Flood Resilience Ngā Manga Atawhai of $115k, which is fully dispersed *Offset by:* • Lower than budgeted subsidies for Predator Free programmes of ($269k) due to cost matching. **TLA Contributions** • Higher than budgeted contributions for Local Emissions, and zero carbon of $24k • Lower than budgeted contributions for CDEM operations of ($73k) • Lower than budgeted contributions for the regional transport programmes of ($78k)
Investment Interest Income	$345	285.1%	• Higher than budgeted rates of interest earnt on Cash, Term Deposits and ASB banking facilities of $76k • Higher than budgeted rates of interest revenue earnt on loans associated with the Joint Venture and regional water storage projects $268k
Investment Property Income	$118	40.5%	• Higher than budgeted rental income.
Long Term Fund Gains	$377	85.0%	• Actual YTD July returns of 1.4%, is 0.3% higher than the budgeted July returns of 1.1% (6.38% annualised). Budgeted gains for August 2025 are excluded from this reporting period; accordingly, long-term fund gains from August are not accrued.
Short Term Fund Gains	($23)	0.0%	• Actual YTD July returns of 0.4 % is 0.4% lower than the budgeted July returns of 0.8% (5.15% annualised). Budgeted gains for August 2025 are excluded from this reporting period; accordingly, long-term fund gains from August are not accrued.
Total Revenue	**$50**	**0.4%**	

Table 5

Total Council Operational Expenditure

YTD ending August 2025

	Variance to Adopted Amended Budget					
Group	***FAV/(UNFAV)***		***Commentary***	***Offset BY***		***Not offset***
	000's	***%***		***Subsidies 000's***	***Reserves 000's***	***FAV / (UNFAV) 000's***
Regulatory Services	**($60)**	**-6%**	• Lower than budgeted net salaries due to vacancies within the group.			$55
			• Higher than budgeted consultancy $6k and legal costs $114k for compliance monitoring and consent applications			($120)
			• Other small accumulated variances within the group.			$4
Environmental Services	**$220**	**10%**	• Lower than budgeted net salaries due to vacancies in group.			$175
			• Lower than budgeted operational costs for planning and policy		$18	$0
			• Lower than budgeted expenditure on environment and soil conservation and efunds			$32
			• Other small accumulated variances within the group.			($5)
Biosecurity	**$404**	**18%**	• Lower than budgeted net salaries due to vacancies within the group.			$52
			• Higher than budgeted contractors costs for Caulerpa works funded by MPI. Offset by • Lower that budged field work costs of $187k .			$126
			• Lower than budgeted expenditure on contractors and field works for incursion programmes.	$123	$75	$33
			• Lower than budgeted expenditure on the Kauri Protection programme primarily funded by MPI.			($225)
			• Lower than budgeted expenditure on contractors Predator Free Whangārei, and Pewhairangi, supported by subsidies	$189		$0
			• Lower than budgeted contractor and operations costs for the Hā O Tangaroa initiative			$24
			• Other small accumulated variances within the group.			$7
Strategic Partnership and Engagement	**$446**	**32%**	• Lower than budgeted net salaries due to vacancies within the group.			$85
			• Lower than budgeted community representation expenditure, due to the organisational restructure, and costs and budget now aligned in corporate services The revised budget is Nil variance			$366
			• Other small accumulated variances within the group.			($5)
Community Resilience	**$928**	**26%**	• Lower than budgeted net salaries due to vacancies within the group.			$28
			• Higher than budgeted expenditure or Flood Resilience for Ngā Manga Atawhai ($115)which is fully funded, and higher than budgeted consultancy for CDEM operations of ($19k), offset by lower than budgeted interest. $36k	($134)		$36
			• Lower than budgeted expenditure mainly for emergency services grants not yet released as budgeted. The revised budget variance is ($75k) higher than budgeted		$825	$35
			• Lower than budgeted Passenger and regional transport programmes.	$138		$0
			• Other small accumulated variances within the group.			($0)
Corporate Services	**($1,030)**	**-31%**	• Higher than budgeted net salaries within the group, due mainly to organisational restructure.			($110)
			• Higher than budgeted expenditure on commercial property management costs funded by rental income and partly funded by reserves.		($16)	($262)
			• Higher than budgeted expenditure mainly on for Northland Inc, due to timing.			($409)
			• Higher than budgeted community representation expenditure, due to the organisational restructure, and costs and budget now aligned within corporate services . The revised budget variance is $135k underspent.		($57)	($241)
			• Lower than budgeted expenditure people and culture operational costs.			$63
			• Other small accumulated variances within the group.			$2
CEO Office	**$58**	**14%**	• Higher than budgeted net salaries.			$3
			• Lower than budgeted operations cost for CEO Group.			$55
			• Other small accumulated variances.			$1
Total	**$966**	**62%**		**$316**	**$845**	**($195)**

Table 6

Reserve Movement Variance

YTD ending August 2025

eserve	*Commentary*	*VARIANCE YTD Adopted 000's*
Transfers from/(to) Flood Infrastructure Reserve	Lower than budgeted transfers to Flood Infrastructure and Rivers Reserve due to delays on the multiple flood mitigation work programmes, and flood programmes.	($79)
Transfers from/(to) Investment and Growth Reserve	Lower than budgeted transfers from the Investment and Growth Reserve for CCO support.	($362)
Transfers from/(to) Sporting Facilities Reserve	Higher than budgeted transfers to the Regional Sporting Facilities Reserve due to lower than budged grants awarded.	$229
Transfers from/(to) Infrastructure Investment Fund Reserve	Higher than budgeted Net gains transferred to reserve	$187
Transfers from/(to) Forest Income Equalisation Reserve	Lower than budgeted transfer from the reserve for election costs, due to timing of ongoing elections costs.	$128
Transfers from/(to) Approved Carry Forwards General Funds	Higher than budgeted transfers from approved carry forward reserves allocated to Wild Deer, Climate Resilient and Environmental monitoring. The variance for revised budget is $Nil.	($184)
Transfers from/(to) Emergency Services Reserve	Lower than budgeted transfers from the reserve due to grants not yet distributed.	$875
Transfers from/(to) Enterprise System Reserve	Higher than budgeted transfers from the Enterprise Reserve due to lower than planned Software costs paid in advance.	($122)
Transfers from/(to) IRIS Next Gen Reserve	Lower than budgeted transfer from the Iris Next gen reserve due to lower project costs.	$123
	Other accumulated variances for council.	($10)
Reserve Movement Variance	**Total**	**$786**

Attachments/Ngā tapirihanga

Nil

TITLE: Taumārere Business Case

From: Justin Murfitt, Strategic Policy Specialist

Authorised by Group Manager/s: Ruben Wylie, Pou Tiaki Taiao, on 16 September 2025

Executive summary/Whakarāpopototanga

At the 24 September 2024 council meeting, it was resolved that that a full business to improve fresh and coastal receiving waters of the Taumārere catchment be developed in partnership with Ngāti Hine. The Taumārere catchment was identified as a good candidate for this on the basis that:

- Ngāti Hine, who have mana i te whenua, mana i te moana over much of the catchment indicated the willingness and the capacity to partner with council in the initiative
- The catchment contributes a significant proportion of the sediment impacting Bay of Islands (via the Taumārere River)
- There is a good level of information available to support a business case
- The catchment is a good representative of Northland's freshwater issues and range of land uses / land cover and is therefore an ideal pilot for such catchment planning initiatives.

Council endorsed a governance group made up of representatives from Ngāti Hine and council to oversee the development of the business case (Councillor Tui Shortland and Councillor Marty Robinson were selected for the governance group while Ngāti Hine representatives were Pita Tipene and Rowena Tana).

Martin Jenkins has been engaged to assist in developing the business case. A draft business case: *Taumārere: Giving effect to Te Mana me te Mauri o te Wai* has been developed and was endorsed by the governance group on 28 August 2025 (with some minor amendments).

The purpose of this report is to present the business case to council and recommend council receive it. The audience for the business case is potential funding partners, including Government, NGOs and council. No decisions on implementation or financial or other resourcing commitments are sought from council at this stage. By endorsing the business case now, it will enable staff and Ngāti Hine to advance work on identifying potential funding partners and implementation approaches to ensure council and Ngāti Hine are well placed to use the business case as a platform for securing funding in the new year. It is recommended that council receive and endorse the Business Case and note the significant commitment to the project and expertise provided by Ngāti Hine.

Recommendation(s)

1. That the report 'Taumārere Business Case' by Justin Murfitt, Strategic Policy Specialist and dated 28 August 2025, be received.
2. That Council receive and endorse the Business Case for improving the state of fresh and coastal waters of the Taumārere catchment.
3. That council acknowledge the expertise and commitment provided by Ngāti Hine in developing the business case in partnership with council.

4. That council authorise Ruben Wylie, Pou Tiaki Taiao - Group Manager Environmental Services to make minor changes to the Business Case relating to proofing, formatting and quality of images.
5. That council note the suggested next steps relating to implementation of the business case outlined in the report.

Options

No.	Option	Advantages	Disadvantages
1	Council formally receives and endorses the business case	Council has a sound basis for decision making for improving the state of water in the Taumārere catchment Provides a solid foundation for an ongoing partnership with Ngāti Hine to give effect to Te Mana me te Mauri o te Wai Upholds council's commitments in Tāiki ē and the Mana Whakahono ā Rohe agreement between Te Rūnanga o Ngāti Hine and council	None
2	Council does not formally receive or endorse the business case	None	The chances of a successful partnership between council, Ngāti Hine and other parties to improve the state of the catchment is less likely. Significant time, resource and effort in developing the business case is less likely to be realised. May result in lost opportunities with funding partners.

The staff's recommended option is Option 1

Considerations

1. Climate Impact

Council receiving and endorsing the Business Case will not have material impacts on council's ability to respond to climate change issues within the region. However, the business case sets out options and approaches to improve fresh and coastal waters and these measures once implemented would have significant co-benefits in terms of improved landscape and catchment resilience (for example mitigation of erosion risk and carbon sequestration). The business case therefore is likely to be of benefit to council in responding to both climate adaption and mitigation.

2. Environmental Impact

Council receiving and endorsing the Business Case will not have material impacts on council's ability to respond to environmental issues within the region. However, the business case sets out options and approaches to improve fresh and coastal waters and these measures once implemented would have significant co-benefits in terms of ecosystem health and the environment generally (for example improve freshwater habitats as a result of riparian planting and wetland creation). The business case therefore is likely to be of benefit to council in performing its environmental functions.

3. Community views

There are likely to be a range of views and community interest in the business case, particularly for those that live in the catchment. While wider catchment and community engagement/consultation did not form part of the development of the business case, the implementation and delivery phase will require engagement with community, landowners and stakeholders – implementation will help address community concerns with water quality and ecosystem health and these outcomes are likely to be supported by local communities and business.

4. Māori impact statement

There are widespread concerns among Māori about the state of freshwater and in particular the health of the region's waterbodies. The business case sets out a 'blueprint' for partnership based restoration of the catchment's fresh and coastal receiving waters and is therefore directly consistent with the strategic intent of Tāiki ē. The business case was developed in partnership between council and Ngāti Hine who have mana i te whenua, mana i te moana over much of the catchment – no engagement has been undertaken with other iwi or hapu or individual Māori landowners or residents in its development, however the implementation phase will require a concerted engagement effort targeting landowners and stakeholders which is likely to be led by Ngāti Hine or in partnership with council. The development of the business case was also underpinned by the Mana Whakahono ā Rohe agreement between Te Rūnanga o Ngāti Hine.

5. Financial implications

Council receiving and endorsing the business case does have material financial implications, as no decisions on implementation or financial or other resourcing commitments are sought from council at this stage. Any such decision will be part of council's decision making around implementation, and any major investment decisions will likely be part of the 2027-37 LTP.

6. Implementation issues

There is no implementation issues associated with the decision to receive and endorse the business case. There will however be decisions required of council in relation to implementing the business case (including governance, operational and delivery arrangements). it is anticipated that potential options for implementation arrangements will be brought to council in the first quarter of 2026.

7. Significance and engagement

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

8. Policy, risk management and legislative compliance

There are no material policy, management or legislative compliance risks associated with the decision to receive and endorse the business case as this is not a statutory matter and is directly related to fulfilling councils water quality and aquatic ecosystem health functions and aligned with the Mana Whakahono ā Rohe agreement between Te Rūnanga o Ngāti Hine and council and commitments set out in Tāiki ē.

Background/Tuhinga

At the 24 September 2024 council meeting, it was resolved that that a full business to improve fresh and coastal receiving waters of the Taumārere catchment be developed in partnership with Ngāti Hine. The Taumārere catchment was identified as a good candidate for this on the basis that:

- Ngāti Hine, who have mana i te whenua, mana i te moana over much of the catchment indicated the willingness and the capacity to partner with council in the initiative
- The catchment contributes a significant proportion of the sediment impacting Bay of Islands (via the Taumārere River)
- There is a good level of information available to support a business case
- The catchment is a good representative of Northland's freshwater issues and range of land uses / land cover and is therefore an ideal pilot for such catchment planning initiatives.

As part of that decision, a governance group made up of representatives from Ngāti Hine and council was established to oversee the development of the business case (Councillor Tui Shortland and Councillor Marty Robinson were selected for the governance group while Ngāti Hine representatives were Pita Tipene and Rowena Tana).

Martin Jenkins was engaged to assist in developing the full business case. A draft business case: Taumārere: Giving effect to Te Mana me te Mauri o te Wai has been developed and was endorsed by the governance group on 28 August 2025 (with some minor amendments).

The core focus of the business case is to guide investment in the catchment and to act as a 'blueprint' for Māori-led regeneration of the catchment and improvement of the state of fresh and coastal receiving waters. The partnership approach to developing the business case was founded on both Ngāti Hine's vision for their people and rohe and council's commitments to giving effect Te Tiriti o Waitangi as set out in Tāiki ē.

The development of the business case was also underpinned by multiple sources of information including:

- The mātauranga and expertise of Ngāti Hine representatives and staff, the Ngāti Hine Environmental Management Plan 2022 and other strategic / catchment planning documents held by Ngāti Hine
- The Mana Whakahono ā Rohe agreement between Te Rūnanga o Ngāti Hine and council and commitments set out in Tāiki ē
- Council monitoring data and previous investigations into catchment water quality

- Studies into sediment sources impacting the Bay of Islands
- CLUES water quality mitigation modelling for the region (adapted to target mitigations where they are likely to be most effective in the Taumārere catchment).
- Advice from council's water quality and coastal teams
- Up to date costings for the range of mitigation measures applied.
- Experience and lessons learnt from similar projects (e.g. the Kaipara Moana Remediation Project).

Mitigations and cost estimates

The NIWA CLUES model developed to support councils draft freshwater plan change was used to identify and target mitigations in the Taumārere catchment to areas where they would be most effective in reducing sediment and *E.coli* concentrations (co-benefits of mitigations were also identified). The area subject to mitigations and up to date cost estimates were then used to estimate implementation costs over a nominal 20-year period.

Implementation

The business case identifies a phased approach to implementation of scenarios starting with Scenario 1 then shifting to Scenario 3 (the timing of the shift will depend largely on funding available and uptake by landowners). Total direct mitigation costs to deliver these scenarios is estimated at $69.5m comprised of $1.47m for riparian fencing and planting, $8.15m for space planting highly erodible land, $24.9m for wetland creation/restoration and $35m for native afforestation (these exclude maintenance and opportunity costs that are likely to be borne by landowners). The business case also identifies $17.4m in programme costs over 20years made up of $11.4m for FTE, $5.7m overheads and $0.28m for monitoring costs. Therefore, the total costs of direct mitigation ($69.5m) and programme governance and management ($17.4) are forecast to be $86.9m over 20years.

The business case also identifies potential partners and funding sources – landowners will be critical in delivering mitigations on the ground as they will be the ones making the decisions on which mitigations are applied on their property and will likely bear the maintenance and opportunity costs of doing so. It is anticipated that carbon credits (and potentially biodiversity credits) in combination with the government requirement for Freshwater Farm Plans will add impetus to uptake in the catchment by landowners. It is envisaged that implementation will be complemented by support (funding and/or in-kind contributions) from third party funders (such as green investors, philanthropic entities, central government and industry) and Ngāti Hine and council (although these are yet to be determined).

Governance and programme management options

The business case also sets out an indicative governance and management structure that could be established as a partnership between council and Ngāti Hine with an operational entity (e.g. Trust or similar) liaising with funders/investors/stakeholders, administering funds and contracts and monitoring and reporting on outcomes. Governance and programme management arrangements would need careful co-design between key delivery partners, although it is likely the complexity will relate to the funding available and could also be phased up as the programme progresses.

Next steps

The implementation phase will comprise:

- Delivery structure: establishing structures to support delivery including governance and operational teams

- Engagement: raising awareness with tangata whenua, landowners, government and potential funding / support partners
- Seeking investment: sourcing funding, investment and other forms of support
- Delivery: establishing mitigations on the ground in partnership with landowners
- Monitoring and review: tracking and reporting on progress and outcomes.

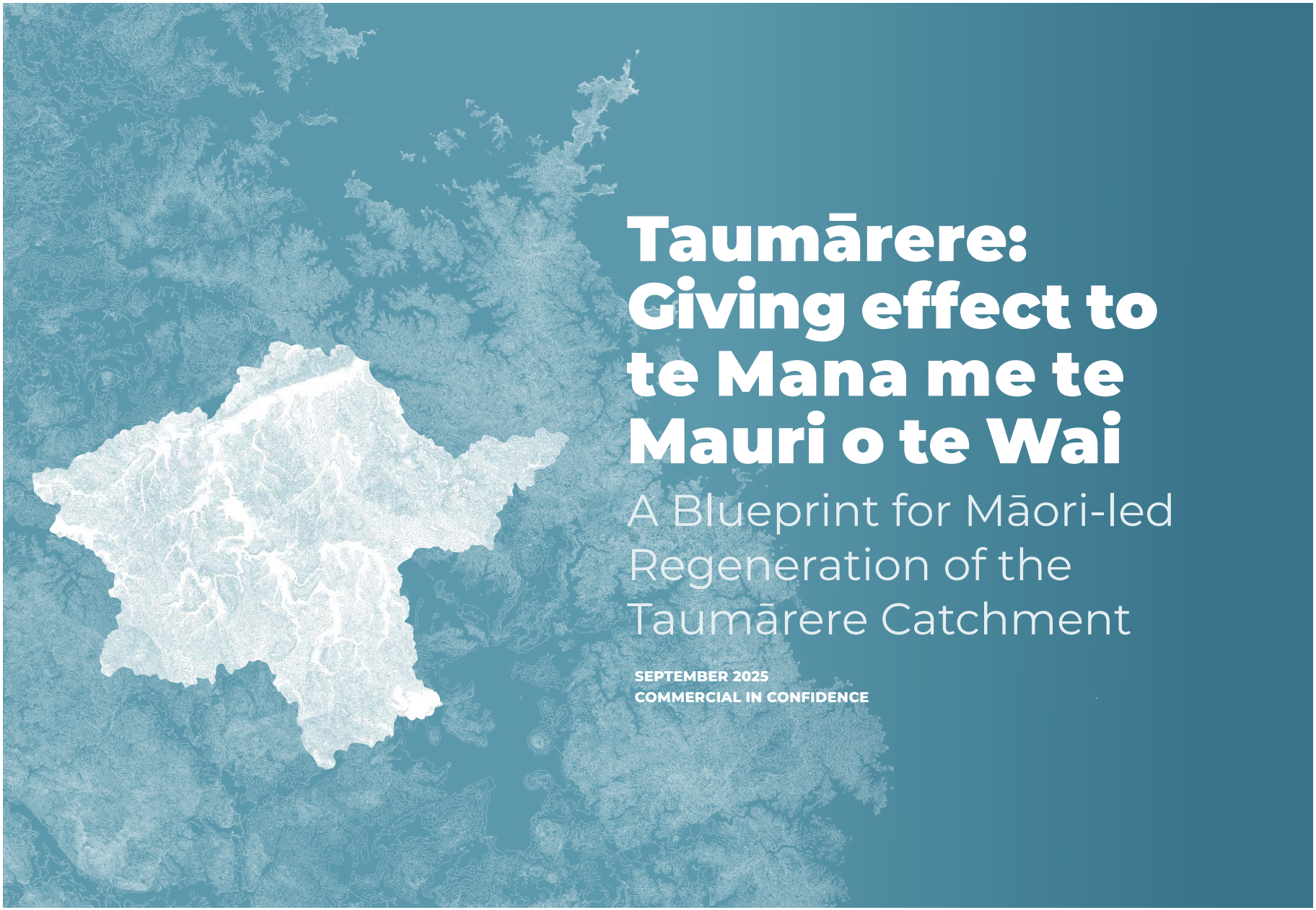
Conclusion

The business case for the Taumārere catchment is the result of a successful partnership between Ngāti Hine and council to co-design a blueprint for regeneration of the catchment and to give effect to te mana me te Mauri o te wai in the Taumārere catchment. While delivery arrangements and funding partners have yet to be confirmed, the business case provides a sound basis for attracting support and investment.

It is recommended council receive and endorse the business case and acknowledge the significant commitment from Ngāti Hine in partnering with council in developing the business case which reflects the aspirations of both Ngāti Hine and council for freshwater and partnership. Resourcing and / or financial commitments from council are not sought at this stage.

Attachments/Ngā tapirihanga

Attachment 1: Taumārere Business Case ⇩


Taumārere: Giving effect to te Mana me te Mauri o te Wai
A Blueprint for Māori-led Regeneration of the Taumārere Catchment
SEPTEMBER 2025
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Northland REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

Ngāti Hine
Puke Puke Rau

COVER ARTWORK

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E kore e monehunehu te pū mahara
Mō ngā momo rangatira o neherā
Nā rātou i toro te nukuroa o te Moananui-ā-Kiwa me Papatuanuku
Ko ngā tohu o ō rātou tapuwae
I kakahutia ki runga i te mata o te whenua
He tāonga he tapu, he tāonga he tapu, he tāonga he tapu
E pari rā, ngā tai ki te ākau, e mihi atu ana ki a koutou e noho mai ana ki ngā tini manga o Taumārere, e tūtei mai nei i te whitinga mai ō Tamanui te rā, tēna koutou, tēna koutou, tēna koutou katoa.

Ka papā te whatitiri, ka hikohiko te uira.

Ka wahierua ki runga o Mōtatau, e tū ana i te ao, i te pō, ko Hikurangi, ngā kiekie whāwhā nunui a Uenuku.

Mai i wēnei pou tokorua, ka rere ngā wai ki Taumārere, ki te Hokianga, ki te Kaipara anō hoki.

Ko te mareretanga o ngā taura here a pokopoko taniwha ki runga i a Rangiriri, arā ko Taumārere herehere i te riri, te rere i Tīria, te puna i keteriki, kete riki, kete tangariki, kō Ngāti Hine Pukepukerau.

Ko te mahi tahi a ngā tangariki ki te kake ake i te wairere, kōia rā te tauira mo te tangata, kia mahi tahi ai, mo te oranga o ngā wai o Taumārere.

Kei tutuki te korero;
Haere mai e tamara ma e Moeahu
Kauria mai te Moana-pikopiko-i-whiti
Te niho o te tupua whakatetea
Kāhore he tangata hei karanga i a koe

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Whakatauki

E kokō ana ngā tuna o Taumārere

This is the reference used when there are numerous eels, writhing over each other and showing that they are healthy and active. It is said that if the tuna are healthy, so too is the water.

Source: Ngāti Hine

Ngāti Hine use tuna as the lens to view the natural world and environment. This is because mana i te whenua are connected to the environment, all beings, creatures and animals. This is reflected in the Ngāti Hine Environmental Management Plan which is oriented around tuna.

The people of Ngāti Hine are renowned throughout the country as eel fishers. We have maintained customary fisheries since time immemorial.

Tuna play been an intricate part of our Ngāti Hine sustenance, tikanga, whakatauki and korero tuku iho (narratives handed down through the generations) since time began and continue to play an important role in our lives.

Te puru tuna a Mataroria is a story that emphasises how important tuna have always been to Ngāti Hine. Moreover, Ngāti Hine history tells us of Tuna Paea, an eel that once lived at Kaiwae.

The legacy of our tupuna stretching back to Hineamaru, and the future we leave for our generations yet unborn, are linked intrinsically to the relationship we of this generation have with our natural environment. The rohe that our tupuna left us was specifically chosen for its environmental and natural resources and assets, with fertile soils, abundant wetlands, lush forests and coastal margins teeming with life.

Te Pae Tawhiti

Tāiki Ē

Tāiki ē is the joint strategy of Northland Regional Council and Te Ruarangi for setting out their responsibilities to tāngata whenua of Te Taitokerau under Te Tiriti o Waitangi.

Tāiki ē. Tāiki ē is a foundational document, underpinning decision making across the functions of council and Te Ruarangi that give effect to Te Tiriti o Waitangi.

This programme outlines a case for change that will be realised by way of a partnership between the Ngati Hinē and Northland Regional Council, the foundations of which rest on the commitments council has made to give effect to its Te Tiriti o Waitangi and Ngati Hinē's relationship with Taumārere.

For this reason, the Vision, Mission and Values set out in Tāiki ē have been adopted to provide guidance and direction to those implementing the programme.

Ngāti Hine's vision

Ma Ngāti Hine ano Ngāti Hine e korero ma roto i te whanaungatanga me te kotahitanga refers to 'self-determination through kinship and unity'.

In essence this vision means that Ngāti Hine will speak for Ngāti Hine. Ngāti Hine will focus on its mana motuhake/ independence as well as interdependence both within and with other partners. It is also about self-reliance and economic independence.

Whanaungatanga points to our focus on kinship and kotahitanga refers to our solidarity and collaboration.

These statements of Ngāti Hine, Northland Regional Council and Te Ruarangi are the anchors though which this business case will be delivered. They are complimentary, reflecting each party's commitment partnership and unity for the betterment on the environment at all levels: Kāwanatanga and Rangatiratanga working together as envisaged through te Tiriti o Waitangi.

Te Kaupapa | Mission

He iwi tahi tātou kia ora ai te taiao.

Kāwanatanga and Rangatiratanga work together for the wellbeing of the environment.

Te Pae Tawhiti | Vision

+ He whenua haumoko | Land that is bountiful
+ He wai mā | Water that is pure and healthy
+ He iwi whai ora | People that are flourishing

Nga Tikanga | Values

+ Titiro atu ki ngā taumata o te moana – Always remain strategic in our approach/intent/view
+ Mahi tahi tutuki noa – Identifying opportunities, increased collaboration and completion of projects.
+ Me whakatau mā roto I te kōrero – Resolution through conversation
+ Kaitiakitanga – Dedicated stewardship by tangata whenua of Te Taitokerau

Executive Summary

This proposal sets out a strategic, place-based approach to restoring the Taumārere catchment through the leadership of mana whenua.

Contamination of freshwater in the Taumārere catchment and its coastal receiving waters is having significant impacts for the community who rely on it for all aspects of life.

The Northland Regional Council (NRC) and Ngāti Hine have partnered to co-design a proposed regeneration programme to improve the health of freshwater and its ecosystems in the Taumārere Catchment.

NRC is committed to giving effect to its obligations under Te Tiriti o Waitangi through partnership, and this programme has been developed jointly with Ngāti Hine to reflect their role as kaitiaki throughout the catchment, and council's supporting role in sustainable environmental management.

Through the programme of work it is expected we will achieve meaningful, culturally aligned outcomes that will improve freshwater quality and provide for social and economic wellbeing for both those who whakapapa to Taumārere, and the wider Bay of Islands community.

The evidence shows that water quality can be improved through a suite of interventions, but partnerships are needed to make this happen – partnerships that weave together their strengths to action a suite of interventions

Taumārere: Giving effect to Te Mana me te Mauri o te Wai

The Taumārere catchment is experiencing severe degradation due to historic and ongoing land use changes.

Freshwater is a taonga tuko iho. It is the source of all life and underpins our economy, natural environment, unique culture, and the health of our families and communities.

The Taumārere catchment is fundamental to the social, cultural and economic activities of Ngāti Hine and the local community, and is necessary to maintain and improve the community and quality of life.

This proposed programme outlines a long-term, catchment-wide remediation programme to arrest water quality decline and restore the mauri of the wai.

WORKING IN PARTNERSHIP

This opportunity to work in partnership between Ngāti Hine and Northland Regional Council sits within an established Te Tiriti o Waitangi relationship.

Tāiki ē is an agreement that endorses the partnership with Te Ruarangi, Te Kahu o Taonui, Iwi and Hapū as it aligns with Northland Regional Council's commitment to Te Tiriti o Waitangi, He Whakaputanga o te Rangatiratanga o Niu Tireni and strengthens partnerships with tangata whenua and the council. Rangatiratanga work together for the wellbeing of the environment.

EXECUTIVE SUMMARY

The case for change

The Taumārere catchment is suffering from high levels of contamination – particularly E. coli, sediment, and nutrients – which is largely due to a legacy of land use change that converted significant areas from native bush and wetlands to agriculture, forestry, and urban development.

Land use in the catchment is primarily agriculture (32%), forestry (30%), and native vegetation (33%). 37% of the catchment landscape is classed as moderately to highly erodible, leading to high levels of sedimentation entering the waterways,

There are nearly 1000km of permanently and intermittently flowing streams in the catchment (and another 6000km of ephemeral streams). This complex set of waterways flow into the Taumārere river, and out into the Bay of Islands.

While the number and area of wetlands in the Taumārere catchment has been reduced, there are still important wetlands remaining and the opportunity to restore and create wetland habitats is significant.

Monitoring data shows consistent failure to meet national and regional water quality standards, with trends indicating further degradation. This contamination has profound impacts on:

+ **Human health**: Pathogens in the water increase the risk of illness from drinking, swimming, and consuming kai.
+ **Cultural practices**: Degradation prevents Ngāti Hine from undertaking mahinga kai, undermines its spiritual connection to the wai, and impacts on intergenerational knowledge transfer.
+ **Ecological integrity**: Native species and habitats are under threat, including tuna (eels), which are central to Ngāti Hine identity.
+ **Economic resilience**: Aquaculture, tourism, and agriculture are compromised by poor water quality and increased flood risk.

However, Ngāti Hine's grievances regarding exclusion from environmental governance and the degradation of their waterways have been longstanding and are well documented in Waitangi Tribunal submissions. The catchment's restoration is not only an environmental imperative but a matter of justice and partnership for the iwi.

How to improve water quality

We explored a range of approaches, and determined that the preferred approach is to support a mix of proven land management interventions, delivered at catchment scale over the long term, in partnership with landowners

These include:

1. **Riparian planting** which stabilises streambanks and filters contaminants, while also improving ecosystems and carbon sequestration.
2. **Riparian fencing** which prevents livestock access to waterways, reducing faecal contamination while also reducing erosion (from trampling) and improving aquatic habitats.
3. **Wetland construction and restoration** which is highly effective at removing sediment, pathogens, and nutrients, while also increasing the landscape's weather resilience and flood mitigation, large contributions to biodiversity, and of great significance to Ngāti Hine.
4. **Space planting of erodible land**, using rapidly rooting poplars and willows to stabilise soil while maintaining space for livestock grazing.
5. **Partial afforestation** to convert highly erodible land, as well as increase flood resilience, biodiversity, recreation opportunities.

Image: Tangariki

We can target the highest risk areas

Using the latest catchment-level modelling, these interventions can be targeted to the areas of greatest risk to water quality.

However, the interventions will need to be delivered in partnership with landowners, and the local community cannot do this alone.

66% of the local population is in the most deprived quintile of the population. Landowners are constrained by affordability, and have been subject to increasing costs, economic headwinds, and expensive and disruptive weather events. Dairy farm costs have increased by around 33% over the past three years.[1]

Recognising this, we have developed four scenarios based on different thresholds of water quality mitigations, recognising different scales of investment depending on the extent of funding available and willingness of landowners to participate.

SCENARIO 1: EASE OF ROLLOUT – Mitigations used where implementation minimises costs using the minimum viable mitigations to improve water quality.

SCENARIO 2: BALANCED APPROACH – Mitigations used where moderate costs are accepted to achieve greater water quality improvements.

SCENARIO 3: PRIORITISING EFFECTIVENESS, CO-BENEFITS, AND WETLANDS – Mitigations used where significant water quality improvements are sought, alongside co-benefits associated with wetlands development, with greater costs accepted.

SCENARIO 4: MAXIMUM ASPIRATION – Extensive fencing and planting, and a mix of mitigations where large costs can be accepted to achieve the greatest water quality reductions and co-benefits.

The final approach, and therefore the benefits to Taumārere, will depend on the funding available and the ability to motivate landowners to participate.

The potential benefits are significant. From direct water quality improvements (through a reduction in sediment runoff, and improved filtration of contaminants such as E. coli), to improvements in ecosystem health, and the greater ability of Ngāti Hine to connect with the wai and exercise its responsibilities as Kaitiaki. Improvements will also lead to greater economic opportunity, protecting the local and nearby tourism industry in the Bay of Islands, and protecting the health and wellbeing of the wider community.

Ngāti Hine want this be an aspirational programme for change, acknowledging that this is hard, and it is large, but that it needs to happen.

Building engagement and change

Recognising the need to build momentum with landowners and community, we anticipate a phased approach, focusing initially on:

+ Working with communities and landowners to demonstrate the importance of water quality mitigations.
+ Targeting the highest impact mitigations with the lowest disruption to landowners, likely focusing on riparian fencing and planting with some stabilisation of highly erodible land (Scenario 1) to build credibility and engagement.
+ Shifting over time to a more intensive programme of work through greater afforestation and wetlands development (Scenario 3) to achieve a greater spread of benefits.

A scaleable programme that we can start now

We anticipate that this approach, if fully subscribed, will require $69.5m of investment over 20 years for mitigations delivery, supported by a modest team likely resourced through partnership contributions from Ngāti Hine and NRC in partnership.

But with a modest contribution, we can get started now, expanding our range of investment partners and the extent of our investment over time.

We have assumed that the initial phase of works (under Scenario 1) will require around $8.35m of direct investment, over nine years.

1. Dairy NZ. 2023. Cost pressures top of mind for farmers, https://www.dairynz.co.nz/news/cost-pressures-top-of-mind-for-farmers/#:~:text=DairyNZ's%20data%20has%20shown%20that,for%20the%202023%2F24%20season

EXECUTIVE SUMMARY

An opportunity to invest in partnership

This programme presents an opportunity for a partnership with Ngāti Hine to deliver real meaningful water quality improvements in Taumārere.

Investing in water quality mitigations align with the objectives of local and central government agencies. It can also bring direct investment opportunities for investors seeking carbon and biodiversity credits through afforestation and wetland restoration.

The programme will be delivered by **Ngāti Hine, and in partnership with others where appropriate including**:

+ **NRC** on specific activities, such as water quality monitoring, scientific advice and prioritisation, land management and farm plan delivery.
+ **Landowners** to raise the profile and opportunity, and recognising the role that landowners need to play in contributing to the programme and maintaining the mitigations over time.
+ **Central government**: where investment would align with its objectives to improve freshwater quality, including by supporting farmers to implement on-farm mitigations through freshwater farm plans.
+ **Industry**: The sheep and beef, dairy, and forestry industries are committed to protecting and enhancing freshwater health, and this programme provides an opportunity to demonstrate that commitment to others and to trading partners.
+ **Investors and green business**: There is strong alignment with carbon farming or biodiversity credits that can finance the planting of forests or restoration of wetlands that also improve water quality. Opportunities include both domestic and overseas interests that are looking for credible for investment into biodiversity and / or carbon. Investment would also demonstrate the ability to work on a strengths basis in partnership with Ngāti Hine as a significant landholder in the catchment.
+ **Philanthropic interests**: looking to achieve environmental, cultural, social and economic benefits from improving water quality in Taumārere. This may include planting trees, protecting species, supporting local employment and working in community and Treaty partnership.
+ **Other iwi/hapū**: where there are opportunities to support mitigations including within the Ngāti Manu rohe.

UNDERSTANDING WIDER ECONOMIC BENEFITS

Implementing the proposals set out in this report will give rise to a range of economic benefits including:

+ Improving agricultural productivity - Healthier waterways and reduced soil erosion foster more sustainable farming practices, increasing crop yields and livestock health over time.
+ Support for tourism growth - The Taumārere is feeding sediment into the Bay of Islands, known for its spectacular waters, calm sandy beaches, and abundant marine life.
+ Supporting jobs including direct farm work, such as fencing, trough installation, planting, weeding, hill country stabilisation, site preparation, and weed control as well as commercial supplier roles in nurseries, fencing manufacturing, and farm advisory services.

While a full economic impact assessment has not been undertaken for this assignment, an independent analysis of the nearby Kaipara Environmental Remediation has estimated economic benefit of $3.95 returned for every $1 invested.[2]

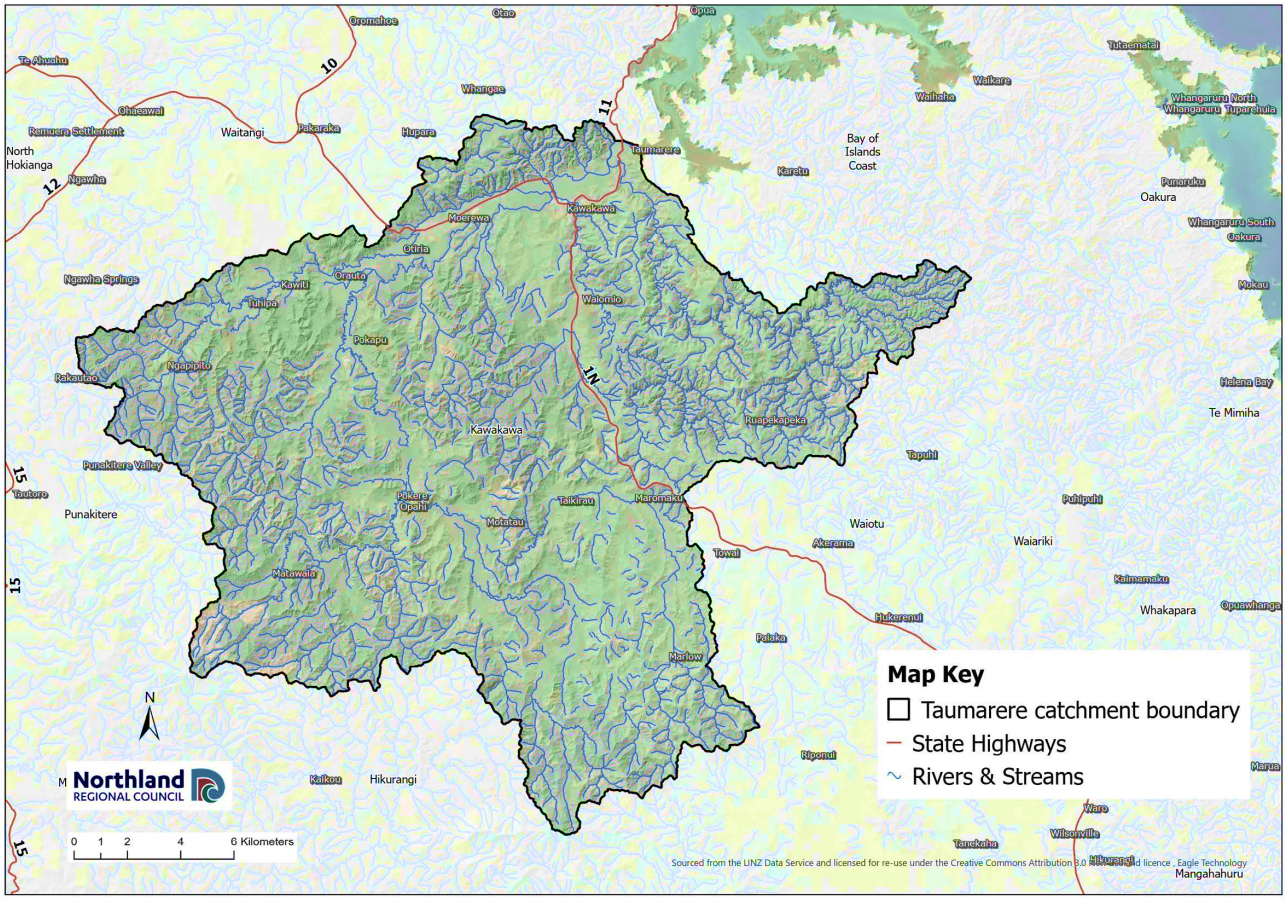
This programme is compelling, evidence-based, and grounded in Ngāti Hine's aspirations and kaitiaki obligations to restore the health of the Taumārere river and catchment.

It invites partners to join a transformative journey that honours Te Mana me te Mauri o te Wai and delivers enduring benefits for people, whenua, and wai.

2. Benefits-Case-Study-KMR.pdf 2. Ngāti Hine. 2022

SECTION 1
The case for change
The issues, and why they matter

Te awa tapu o Taumarere



The Taumārere Catchment

Source: NRC: Taumārere Catchment Water Quality Update (including sites for water quality investigation in October 2016)

Te awa tapu o Taumārere is an interconnected web of rivers, wetlands, streams, lakes, underground channels, and springs. It stretches from inland Hokianga to Waikare Inlet, flowing into the Bay

of Islands.

The Taumārere River is supplied by several hundred rivers, including major tributaries (Ōtiria, Waiharakeke and Waiomio, Whangae, Tirohanga Streams) which converge on Kawakawa from the west and south.

From here, the Taumārere River flows to the northeast through a wide, flood-prone river valley before reaching the Te Moana Pikopiko i Whiti (the inner Bay of Islands Area), which gradually makes its way out to the spectacular waters of wider the Bay of Islands.

Ngāti Hine are mana i te whenua and kaitiaki over the catchment area.

Ngāti Hine have occupied the land for over 400 years, since the time of Hineāmaru, the tūpuna, a leader of great mana who journeyed from Hokianga to the Bay of Islands, and came to the Waiomio valley which became the cradle of Ngāti Hine.[3]

Te Awa Tapu o Taumārere and its many tributaries is of the highest significance to Ngāti Hine.

Ngāti Hine's stewardship is guided by their relationship to Taumārere, defined through whakapapa, karakia, and practice. This project is a contemporary expression of their obligations to restore mana and mauri to our awa and whenua

THE RELATIONSHIP BETWEEN MANA WHENUA AND WATER BODIES

In Aotearoa New Zealand Māori identity is directly linked to awa/river as is the case for Ngāti Hine. Māori are connected to water and to the whole natural world through whakapapa – a lineage that descends from Ranginui and Papatūānuku down to people and all parts of the environment. Awa are thought of as tupuna (ancestors) that have been with mana i te whenua throughout history.

In some cases, this relationship has been acknowledged in Treaty of Waitangi settlement processes where legal personhood has been granted to iwi/hapū throughout the country providing the water body with the rights of a legal person. This mechanism recognises and enhances the mana of tūpuna (ancestors) of the settled iwi. Each settlement has differed in its terms and the eventual governance structure used to give voice to the legal personality. While these rights are defined by the terms of settlement deeds, they typically include the ability to own property, enter contracts, representation and the ability to commence legal proceedings.

The whenua has been changed and the wai degraded

The catchment has been substantially modified over the last 200 years. Large areas of the original native forests have been felled for timber export and replaced with agriculture and plantation forestry. Native vegetation has been cleared from margins of waterways, and many wetlands have been drained to enable farming.

These changes have had significant impacts on the land and water quality. The Taumārere catchment is among the most degraded for similar catchments in the country, facing high levels of contamination from E. coli, sediment and nutrients.[4]

Monitoring suggests it is continuing to degrade. This degradation affects all facets of life and activity in and around the catchment – risking the health of people, animals, and fish, preventing cultural connection to the wai, and participation in important cultural practices such as mahinga kai. This in turn has cumulative impacts on the Bay of Islands receiving environment, one of the most spectacular in the country and internationally renowned.

THERE ARE 6,992KM OF STREAMS IN TAUMĀRERE:

86% (6,041KM) ARE EPHEMERAL (only flow during and shortly after rain)

10% (675KM) ARE INTERMITTENT (naturally dry at certain times of the year)

4% (277KM) ARE PERENNIAL (continuously flowing)

Water is a sacred resource and a taonga of special significance to Ngāti Hine

Ngāti Hine history, strength and mana stems from the water as a sacred resource and a taonga holding mauri, a spiritual life force. The many forms of water – rain, springs, wetlands, streams, lakes, estuaries and the sea itself – are central to Ngāti Hine's existence.

Freshwater is used to feed, sustain, transport, cleanse and purify. Ngāti Hine households are located around, and depend on, freshwater throughout the catchment. The majority of households are off the grid completely, without reticulated water systems and rely on the water quality in and around Taumārere.

Ngāti Hine has a special association with repo (swamps) which have a special spiritual, cultural and traditional significance. Repo can be an abode of a taniwha, a burial place, or a place used for its resources. Repo contain kai (tuna, kewai, taro and watercress), dyes, and weaving materials.

All natural water has value and sustains some form of life. It is sacred to Ngāti Hine and to be given the highest level of protection.

APPROXIMATELY 10,000 PEOPLE LIVE AROUND THE TAUMĀRERE CATCHMENT, MORE THAN 60% OF THEM MĀORI.

A catchment-based approach

Waipunarangi (the water cycle) is a holistic framework that helps inform a catchment-based approach to freshwater management. Linked with this is the would view of Waitī ki waitā. Waitī is a star within the Matariki star cluster that is connected to fresh water and all the creatures that live in rivers, streams, lakes and wetlands, while Waitā is the star within the cluster that is associated with the sea and marine life. A catchment based ki uta ki tai approach embraced this worldview. The broader catchment also shares interests held by other hapū. This investment case recognises the specific interests of Ngāti Hine and offers further benefits to the broader area concerned.

3. Ngāti Hine. 2022. Environmental Management Plan.
4. Monitoring at the Waiharakeke site was in the worst 25% of sites for E. coli, black disc, turbidity and ammoniacal Nitrogen compared to similar sites. NRC. 2016. Taumārere Catchment Water Quality Update.

The Taumarere catchment is suffering from a mix of contaminants

Monitoring and investigations over the last 20 years have shown Taumārere has consistently failed to meet standards for degradation across pathogens (indicated by E. coli), sediment, nutrients, and ecosystems. It is likely further degrading on measures for visual clarity, E. coli and macroinvertebrates.

The primary issues in Taumārere are E. coli, sediment and ecosystem health which have been poor for decades, and are likely to be degrading

The catchment is also degrading the coastal receiving waters, with the Taumārere River as the dominant source of sediment into parts of the Bay of Islands.

AQUATIC ECOSYSTEM HEALTH

Aquatic ecosystem health measures are used as a an indicator of habitat health of waterways. This is because biological communities are a product of their environment. Stresses and changes that occur in the aquatic environment are reflected in the health of the ecosystem. Factors impacting ecosystems include both contaminants and a lack of vegetation (riparian and wetlands) which is needed for temperature regulation and food sources.

Macroinvertebrate community index samples for Taumārere the last 10 years have been consistently in the C and D bands and is likely to be degrading.[5]

HOW IS WATER QUALITY MEASURED?

Australian and New Zealand Guidelines for Fresh and Marine Water Quality (ANZECC) provide water managers with tools and guidance to assess, manage and monitor the water quality.

Northland objective value sets quality standards based on the Northland regional context.

The National Policy Statement-Freshwater Management bands reflect numeric values for a range of water quality and aquatic ecosystem health indicators used to assess the state of freshwater

- **A** – Excellent
- **B** – Good
- **C** – Fair
- **D** – Poor (recognised nationally as unacceptable).
- **E** – Very poor (E.coli only)

5. Chakraborty, M. 2025. Water quality and land-use summary of Taumarere catchment

POLLUTANT	SOURCES	IMPACTS ON WAI	MEASUREMENTS IN TAUMARERE, 2005-2024[6]
Pathogens (for example E. coli) Invisible microbes such as bacteria and viruses that cause disease.	The main sources of pathogens in freshwater are human sewage and animal manure. They can enter fresh water through wastewater and stormwater discharges or overflows, runoff from urban and agricultural land, seepage from failing septic tanks, and direct deposition by livestock and wild animals. Diffuse sources of contaminants are estimated to contribute most of the contaminant load while the contribution from point sources is considered to be comparatively low.	**Pathogens make people and animals sick.** These pathogens pose a health risk to people and can cause rapid and major outbreaks of illness and limit how we use our freshwater for drinking, recreation or mahinga kai.	**The annual median for E. coli has exceeded the band D for median E. coli in every year from 2016 to 2024**. The trend for E. coli is likely degrading. In the years between 2006 and 2015, E. coli was highly variable, with levels in the D grade in five of the 10 years. Microbial source tracking results indicate that the primary source of contamination within the catchment was ruminant (farm animal) with human markers also detected. Coastal waters (Tapu Point and Waikare Inlet) both exceeded the coastal standard for faecal coliforms. This indicates that the water was not suitable for shellfish consumption.
Sediment Particles of soil and rock eroded from the land and washed into rivers and lakes and coastal waters.	Erosion itself is a natural process, however land use activities that disturb soil accelerate erosion and increase the amount of sediment discharged to water. The loss of most of the region's wetlands and original forest cover has exposed soil to accelerated erosion. Accelerated sediment deposition is caused by forest clearance and poor management of land that is particularly prone to erosion due to slope, geology and soil type. Stream-bank erosion is also a source of sediment particularly where riparian vegetation no longer stabilises stream banks/margins.	**Sediment makes clear water murky (or turbid)**, smothers aquatic life, and sediment build-up alters water flows and exacerbates flooding. Sediments impact entire ecosystems, and the goods and services provided to the community by the ecosystem.	**The annual median for visual clarity at the Waiharakeke stream exceeded the Northland objective value for 4 years out of the 9 reported**, with the lower quartile exceeding the worst band D in 6 of the 9 years reported. The annual median was below the NPS-FM band D for 2022, 2023 a nd 2024. The trend for visual clarity is very likely degrading. Median annual turbidity levels recorded at the Waiharakeke site from January 2006 to December 2015 did not meet ANZECC guidelines for lowland rivers for most years with the exception of 2006, 2010 and 2015. Much of this sediment ends up in the harbour, with the Taumārere River as the dominant source of sediment into parts of the Bay of Islands including Veronica Channel, Kawakawa Inlet, Waikare Inlet, Te Rawhiti Inlet and Southern Bay.
Nutrients Nitrogen (nitrate and ammonia) and phosphorus.	Sources of nitrogen include fertiliser runoff, urine from farm animals, and treated wastewater discharges. Phosphate usually gets into waterways via sediment, because it clings to soil particles.	**Too much nutrient can cause algal blooms and other unwanted plant growth** that impact on aquatic ecosystems. For example, significant periphyton blooms were found in the Waiharakeke site.	Dissolved reactive phosphorus samples were consistently in the C and D NPS-FM bands. This included **annual median exceeding the worst D band in 2017, 2018 and 2023**, with the lower quartile exceeding this worst band for 7 years out of the 9 reported. Median ammoniacal nitrogen recorded at all sites were below the ANZECC guideline value with the exception of the Ngapipito Road and Te Rito Marae sites. Median levels of dissolved reactive phosphorous recorded at the Waiharakeke site between 2005 and 2015 did not meet ANZECC guidelines for every year except 2010.

6. Chakraborty, M. 2025. Water quality and land-use summary of Taumārere catchment

This contamination is caused by historic land use change

Image: Contamination at Waiharakeke. Source: NRC

Land-use change impacts water quality

Taumārere, like much of the country, has experienced significant environmental changes since European settlement. The area has changed from dense forest and extensive wetlands to farming and commercial forestry. Clearing native forests and scrub, and draining wetlands on a large-scale has dramatically affected how soils and water function and impacted coastal receiving waters of the inner Bay of Islands.

The Taumarere catchment is dominated by agriculture and forestry

The primary current land uses in the Taumārere are agriculture (32%), plantation forestry (30%) and native vegetation (33%).

32% of land in the catchment is agriculture 10% dairy and 23% dry stock) which contributes to contaminants in waterways. Livestock waste from farms introduces pathogens (as indicated by presence of E. coli) which can be discharged directly into water or washed off during rain. Nutrients, such as nitrogen from fertiliser or livestock urine, can also be washed into waterways by rain. Pasture can produce two to five times more sediment than an equivalent area of forest as animals break down banks pushing soil directly into streams or disturb streambeds, while overgrazing leaves soil exposed.

There are opportunities to better manage these risks on farmland in Taumārere – current estimates are that 68% of perennial streams in pasture do not have riparian planting, and 56% perennial streams in pasture are not fenced to exclude livestock.

30% of land in the catchment is plantation forest which can be beneficial for water quality between harvest cycles but can cause high sedimentation when harvested, when erosion rates can go up 10-100 fold.[7]

There are small settlements in the catchment, making up 1% of land use. Urban environments can contaminate water through sewage and stormwater discharges. Moerewa is still dependent on septic tanks for sewage treatment. Sewage discharges can create issues where the density of on-site systems is high, effluent soakage is poor and/or on-site systems are poorly maintained.

33% of land in the catchment is native vegetation which is beneficial for catchment water quality. Forest cover binds erodible soil, and the soil in native forests cleans and filters water, removes contaminants, and recycles nutrients. Water mainly moves through the ground to streams, which helps prevent surface water runoff, erosion, and soil loss.

7. Hicks, et al. 2011. Suspended sediment yields from New Zealand rivers, Journal of Hydrology (NZ) 50 (1): 81-142 2011.

The catchment is highly erodible

Like much of Northland, the catchment includes a large amount of steep and hilly terrain. 37% of the catchment is classed as moderately to very highly erodible. This means that the land is susceptible to erosion, with risks exacerbated by primary production activity when not adequately managed.

High erodibility increases the likelihood of increased sedimentation and turbidity in waterways through diffuse surface runoff when not adequately managed.

Investigations have also confirmed how current land uses are degrading the Taumarere catchment and coastal receiving waters

It is often difficult to identify the exact causes of degraded water, given it can be the result of a wide range of factors over a large area. However, a number of investigations have confirmed the role of current land uses in degrading the Taumārere catchment:

+ The low visual clarity and high E. coli in the Waiharakeke is likely due to surface run off from developed pasture, with high levels of ruminant (cattle and sheep) faecal markers.[8]
+ Elevated ammoniacal nitrogen and E. coli levels at some sites indicate contamination by septic tank systems or poor land management practices.[9]
+ Sources for bacterial contamination in the Otiria Stream are likely due to diffuse run-off of farm animal waste, microbial activity in catchment wetlands, and waste from wild animals. [10]
+ Streambank erosion is a source of sediment entering flowing through the waterways.

This contamination is being fed into the Bay of Islands, particularly sediment and faecal coliforms.

+ The Taumārere River is the dominant source of sediment into parts of the Bay of Islands including Veronica Channel, Kawakawa Inlet, Waikare Inlet, Te Rawhiti Inlet and Southern Bay. Sediment entering the coastal waters (at Waikare Inlet) is primarily from pasture (68.3%) and pine forests (27.5%) in the Taumārere catchment.[11]
+ Coastal waters (Tapu Point and Waikare Inlet) both exceeded the coastal standard for faecal coliforms. This indicates that the water was not suitable for shellfish consumption.

Image: The pristine waters of the Bay of Islands, at Russell

8. Chakraborty, M. 2025. Water quality and land-use summary of Taumārere catchment.
9. NRC. 2016 Taumārere Catchment, water quality update. https://www.nrc.govt.nz/media/vqzf120q/Taumārerewaterqualityupdate2016.pdf
10. NRC. 2008. Review of water quality information for Otiria Stream Moerewa, https://www.nrc.govt.nz/media/bjxknnio/finalotiriareportaugust2008.pdf
11. Griffiths, R (NRC) November 2024, Taumārere Business Case - Coastal Water Quality

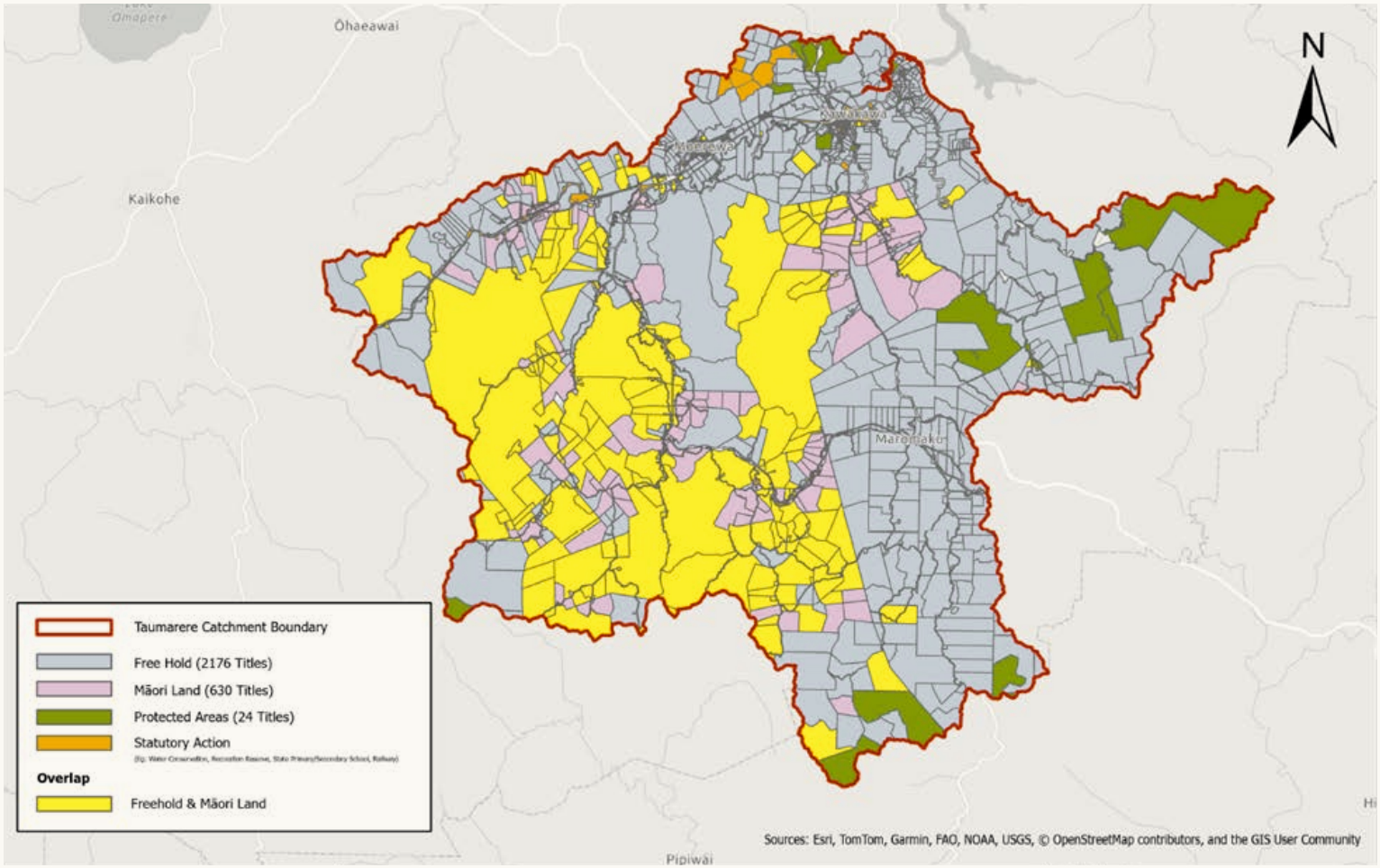


Figure 1:
Land ownership

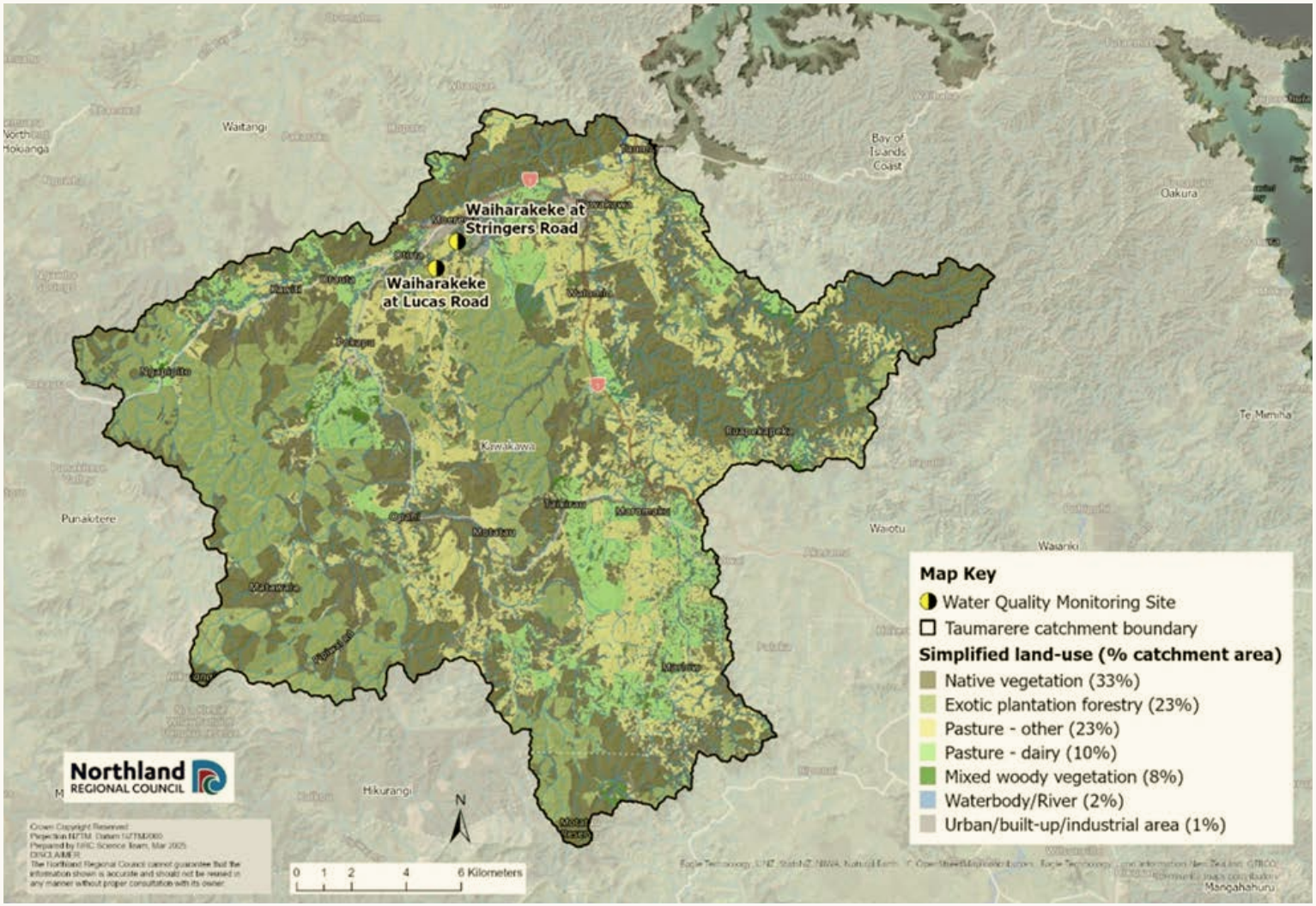


Figure 2: Land use

Investment in water quality will improve cultural, social and economic outcomes

Freshwater is a taonga. It is the source of all life and underpins our economy, natural environment, unique culture, and the health of our families and communities.

This is particularly so for the Taumarere community where the catchment is fundamental to the social, cultural and economic activities necessary to maintain and improve the community and quality of life.

Degradation of the catchment therefore has negative impacts across the local economy and community including the Bay of Islands.

"When the mauri of the water is damaged or destroyed, all are at risk"

Investing to protect and enhance cultural relationships with the wai

Kaitiakitanga

As kaitiaki, Ngāti Hine are answerable firstly to the relationships their tupuna forged with all the children of ngā atua. Kaitiakitanga is therefore an important responsibility, and one that has been deeply affected through historic breaches of Te Tiriti o Waitangi.

The current degradation of the catchment is in part an outcome of the inability of whanau, hapu and iwi to exercise kaitiakitanga. As a result, the mauri (life force), mana, and wairua (spirituality) of the waterways has been significantly affected, which harms the well-being on all who rely upon it.

Te tu o Ngāti Hine whanaungatanga

This refers to the concept of kinship and relationships within Ngāti Hine. It emphasises the importance of relationships, particularly within the whānau and wider community, as a foundation for self-determination and collective well-being.

Investment in improving the mauri of the wai in Taumārere goes some way to recognising and providing for Ngāti Hine kaitiakitanga, a key policy in the Ngāti Hine Environmental Management Plan.

Mahinga kai

Mahinga kai is an integral part of the cultural relationship between Ngāti Hine and the waterways. It includes the gathering of kaiawa (river food) and intergenerational practices and tikanga used to produce, harvest and protect the kai. Kai harvested from degraded waterways can be toxic or contain pathogens, which may make people sick.

Supporting fundamental cultural values and practices

The wai is essential for Ngāti Hine maintaining and reinforcing values like mana (prestige), ahikāroa (connection with place), whanaungatanga (family ties and links), mātauranga (knowledge systems), and whakaheke kōrero (passing knowledge to the next generation).[12] These practices include teaching babies to swim in the waterways and use of water for health and ceremonial purposes.

It is also significant for manaakitanga (acts of giving and caring for), whanaungatanga (community relationships and networks), te ahurea o te reo (growth and evolution of language), and whakaheke kōrero (opportunities for intergenerational knowledge transfer).

The cultural value of being self-sustaining and of having a sustenance/circle relationship with the waterways is of high significance to Ngāti Hine.

12. Shortland. 2012. Cul tural effects assessment. https://www.epa.govt.nz/assets/FileAPI/hsno-ar/APP201365/3aa4b7fee4/APP201365-SUBMISSION102614-Nga-Tirairaka-o-Ngati-Hine.pdf; Ngāti Hine Environmental Management Plans 2022 and 2008.

Protection of taonga plant and animal species and ecosystems

All taonga have a mauri, a wairua, a tapu, and mana, and the endurance, sustenance, and the heartbeat of Māoritanga (culture and way of life) is bound to the survival of these taonga. This means impacts on ecology and ecosystems can have significant adverse cultural, social and economic effects on Ngāti Hine.

"The denial of the right to good healthy kai for Ngāti Hine people not only denies us our physical survival, but also denies us our social organisation, our cultures, traditions, languages, spirituality, sovereignty and total economic environmental identity it is a denial of our collective Ngāti Hine existence."

IMPACTS OF CONTAMINATION ON TUNA

Freshwater eels (tuna) are critical to Ngāti Hine. They are linked to manaakitanga (hospitality), tākoha (gift, donation), a staple food source and are part of the tikanga, whakataukī, myths, and legends of Ngāti Hine.

In 2011, a NIWA and Ngāti Hine assessment of eels in the Taumārere catchment found that eel numbers were low.[13] Poor water quality and reduced access to suitable habitats have been identified as issues affecting eel populations.

Decline of these taonga is highly impactful for Ngāti Hine. Along with cultural impacts, eating eels from contaminated waters has been associated with cancer and other chronic health issues. Ngāti Hine have implemented a range of measures, such as reducing take, to halt this decline.

Image top: Otiria Swimming Hole. Source: NRC
Image bottom: Native redfin bully inhabit the Taumarere. Source: NRC

13. Williams, et al. 2011. Assessment of the eel fishery in the Kawakawa (Taumārere) River catchment, https://fs.fish.govt.nz/Doc/22892/11_28_FAR.pdf.ashx2x

Degradation has been a source of deep historical grievances

Ngāti Hine has been grappling with these challenges for a very long time, with water quality issues part of the basis for claims in the Waitangi Tribunal.

Ngāti Hine have submitted that the waterways have suffered from 'extensive pollution and degradation' due to the Crown's management regime being inadequate and inconsistent with the Treaty of Waitangi. This is encapsulated by Harry Māhanga who submitted that in Taumārere the rivers have changed in thirty years from 'pure and clean' to 'absolutely disgusting' through a combination of pollutants including fertiliser, farming, roading, increased sedimentation, swamp drainage, and specific sites such as the AFFCO meat processing plant and the Kawakawa wastewater treatment plant.[14]

Part of this grievance has been the exclusion from involvement in environmental governance and management of the area, with resource management approaches failing to reflect Ngāti Hine values and their kaitiaki responsibilities.[15]

Investing in community health and wellbeing

Contaminated water threatens community health

Healthy water is critical for the health of the community, especially in Taumārere with its inland nature increasing community reliance on freshwater. Across Aotearoa New Zealand, the estimated health benefits of preserving wetlands and excluding livestock from waterways are valued at $2.4 billion.[16]

Polluted water can contain pathogens such as bacteria, viruses and protozoa that makes people sick from swimming, drinking or eating food from the water. They can cause gastrointestinal illness, respiratory symptoms, skin infection and more harmful diseases like hepatitis A.

Investment in water quality will support the health of the Taumārere community by reducing pathogens that make people sick, and enabling the water to be used for drinking, sourcing food and swimming.

There are anecdotal reports of mokopuna (children) swimming in the Taumārere River being covered in rashes and boils, with their hair smelling "*terrible*."[17]

The Taumārere River flows into Te Moana Pikopiko i Whiti where shellfish are grown commercially and gathered by locals. Filter-feeding shellfish such as pipi, oysters and mussels, can be particularly risky to eat if grown in polluted water.[18] For example, the Waikare Inlet area of Te Moana Pikopiko i Whiti failed the shellfish consumption measure for faecal coliforms in 2018.[19]

Pathogens can remain on the moist surfaces of foods like watercress, and eels become poisonous with toxins once they habituate waters infested with algal blooms, with studies finding increased risk of cancer and chronic health issues if eaten.[20]

Pollution makes water unsafe for drinking. Taumārere is a rural community with marae who rely on water from unfiltered systems like groundwater wells in intensively farmed areas.

While the catchment has a number of swimming locations for the community, pollution has made this unsafe with monitoring indicating lower sites in the catchment do not meet NOF bottom line for recreational swimming.[21] This is supported by anecdotal reports of children becoming sick after swimming in the catchment.

Contaminants in eels and flounder may bring a higher risk of cancer and other chronic health issues, with particular impacts for Māori communities who rely on eels and other wild-caught freshwater species in their diets.

14. Cunningham et al. 2016. Northland Rural Rivers: Environmental Management, Pollution and Kaitakitanga since 1991, https://forms.justice.govt.nz/search/Documents/WT/wt_DOC_108533658/Wai%201040%2C%20A060.pdf
15. Cunningham et al. 2016. Northland Rural Rivers: Environmental Management, Pollution and Kaitiakitanga since 1991, https://forms.justice.govt.nz/search/Documents/WT/wt_DOC_108533658/Wai%201040%2C%20A060.pdf
16. Ministry for the Environment. (2021). Statement of Intent 2008-2011: Operating Intentions - Fresh Water. https://environment.govt.nz/ publications/statement-of-intent-2008-2011/operating-intentions/ fresh-water
17. The Northland Age. 2015. River rescue project begins, https://www.nzherald.co.nz/northland-age/news/river-rescue-project-begins/YRWFJT5JWVIMYUGX43Z3R2QXXA/
18. Parliamentary Commissioner for the Environment. 2013. Water quality in New Zealand: Land use and nutrient pollution, pce-water-quality-land-use-web-amended.pdf
19. NRC. 2023. Annual report card, coastal-annual-report-cards-2023.pdf
20. Stewart et al. 2011. Organochlorines and heavy metals in wild caught food as a potential human health risk to the indigenous Māori population of South Canterbury, New Zealand, Organochlorines and heavy metals in wild caught food as a potential human health risk to the indigenous Māori population of South Canterbury, New Zealand - ScienceDirect
21. NRC. 2016. Taumārere Catchment Water Quality Update. https://www.nrc.govt.nz/media/vqzf120q/Taumārerewaterqualityupdate2016.pdf

Investing to protect economic opportunity

Investment in water quality will also support economic outcomes in the Taumarere area. Key parts of the local economy rely on healthy water.

+ **Aquaculture**: The Taumārere is the dominant source of sediment into the immediate coastal areas which contain aquaculture. [22] Aquaculture is reliant on clean environments, with the potential for degraded inland catchments causing significant economic impacts through halting operations due to E. coli health risks and sediment damaging farms. Fishing and aquaculture in Northland contributed $32.7m to GDP in 2024, and has substantial potential for growth.[23]
+ **Tourism**: The Taumārere is feeding sediment into the Bay of Islands, known for its spectacular waters, calm sandy beaches, and abundant marine life. Critically, Te Moana Pikopiko i Whiti is also the home of Opua Marina, internationally recognised as a gateway to recreational boat usage of the Bay of Islands (and an important marine industry hub). Tourism is a key contributor to Northland's economy, contributing $491.7m towards Northland's GDP in 2023.
+ **Agriculture**: Animals can get sick from polluted water. Salmonella is a problem for livestock causing diarrhoea, loss of milk production, miscarriage, and deaths. Reducing sediment loss through planting supports farm viability.
+ **Fishing**: Fishing charters rely on quality fishing opportunities in the Bay of Islands. Sediment released from Taumārere is contaminating and smothering undersea beds, impacting the sustainability of key fishing species such as snapper.
+ **Job creation and skills development:** Delivering a large-scale programme of mitigation measures can have local economic benefits through direct employment and supply chain stimulation. This would include direct farm work, such as fencing, trough installation, planting, weeding, hill country stabilisation, site preparation, and weed control. It would also create new commercial supplier roles in nurseries, fencing manufacturing, and farm advisory services.
+ **Beekeeping**: Beekeeping relies on sufficient vegetation, with native trees like mānuka and kānuka yielding premium honey products. As vegetation increases through mitigation planting (such as riparian buffers), so does the potential for expanding beekeeping operations, which in turn generates economic benefits through employment, honey/wax sales, pollination services, and eco-tourism. Thriving bee populations also contribute to improved crop yields and biodiversity, reinforcing the economic and ecological value of planting trees and restoring landscapes. The industry believes the New Zealand honey sector can more than double in value from where it is today to be a greater than $1 billion sector by 2030, with mānuka honey being the primary driver of value creation.[24]
+ **Protecting property and livelihoods**: Mitigations designed to reduce sediment (such as planting on steep erodible land or creation of wetlands)) can have co-benefits in terms of reducing flood intensity, duration and frequency Reducing sediment is particularly important for Taumārere as it is highly susceptible to flooding which can damage homes, farms, and other property and close roads (halting commercial operations).

While a full economic impact assessment has not been undertaken for this assignment, an independent analysis of the nearby Kaipara Environmental Remediation has estimated economic benefit of $3.95 returned for every $1 invested.

DIRECT EMPLOYMENT OPPORTUNITIES

Fencing and planting requires skilled labour for site preparation and assessment, planting and ongoing maintenance. This can stimulate demand for local nurseries and retail suppliers which also provide employment.

Delivery of the programme also creates jobs in governance and management, scientific catchment planning and monitoring and stakeholder engagement.

These work opportunities can be aligned with hapū and marae to connect into the local community and schools to facilitate smooth transitions from education to employment, and provide work experience opportunities for rangatahi.

The Jobs for Nature programme illustrates the benefits of nature investment which delivered a total estimated Full Time Equivalent jobs of between 10,774 and 13,555 FTEs[25].

22. NIWA. 2012. Sediment sources and accumulation rates in the Bay of Islands and implications for macro-benthic fauna, mangrove and saltmarsh habitats, https://www.nrc.govt.nz/media/zccd2s4y/bayofislandssedimentationreportniwasections12.pdf. The Taumārere (Kawakawa) river is the dominant source of sediment into the Veronica Channel, Kawakawa Inlet, Waikare Inlet, Te Rawhiti Inlet and Southern Bay.
23. https://rep.infometrics.co.nz/northland-region/economy/structure?compare=new-zealand; https://www.nrc.govt.nz/media/f1gnhmep/finalregionaleconomicimpactsofaquaculturereportbyenveco6.pdf
24. Apiculture NZ. NZ Honey Strategy 2024-2030, NZ-Honey-Strategy-2024-2030-FINAL-version-for-web-20-Feb.pdf
25. Jobs for Nature. 2023, Insights_Report_Dec_2023_A3.pdf

Investment will protect ecosystems, biodiversity and environmental resilience

The Ngāti Hine
Environmental Management Plan

THE NGĀTI HINE ENVIRONMENTAL MANAGEMENT PLAN IDENTIFIES OBJECTIVES, ISSUES AND POLICIES FOR INDIGENOUS BIODIVERSITY

Indigenous biodiversity is being impacted by farming, forestry and subdivision practices, develop and pest species.

The plan seeks the restoration, enhancement and management of indigenous flora and fauna, their habitats and ecosystems, in particular those species that are most at risk.

There is high freshwater ecological value within the Taumarere catchment

The Taumarere catchment contains a range of native freshwater fish, plants, invertebrates, and birds that depend on freshwater ecosystems. Most of New Zealand's indigenous freshwater fish and freshwater bird species, including some taonga species, are either threatened with extinction or at risk of becoming threatened. Many of these species are in decline.

There is an opportunity to address many of the threats to this ecology

The high contamination in the Taumarere catchment is putting these high value ecosystems at further risk. Macroinvertebrate measures are consistently in the C and D NPS-FM bands and are likely to be degrading.

Investing in water quality in Taumarere supports the health of these high value and threatened ecosystems, which are put a under further risk by high contamination and loss of habitat in the catchment.

The Taumarere is the dominant source of sediment for many coastal areas of the Bay of Islands, impacting sensitive ecosystems.[26]

THE BAY OF ISLANDS IS ONE OF THE COUNTRY'S MOST POPULAR AND INTERNATIONALLY RECOGNISED HOLIDAY DESTINATIONS, AND FOR GOOD REASON.

Stunning natural beauty and over 144 islands make for an easily accessible aquatic playground, with a wide range of recreational activities. Many of the pivotal moments in Aotearoa New Zealand's story happened here, including the signing of Te Tiriti o Waitangi (the Treaty of Waitangi), considered the country's founding document, at what is now the Waitangi Treaty Grounds.

26. Referred in report as the Kawakawa catchment in the report. NIWA. 2012. Sediment sources and accumulation rates in the Bay of Islands and implications for macro-benthic fauna, mangrove and saltmarsh habitats, NIWA Client report, https://www.nrc.govt.nz/media/zccd2s4y/bayofislandssedimentationreportniwasections12.pdf

Investment opportunities to improve ecosystems and biodiversity

Restoring ecosystems is particularly important for Ngāti Hine	**Many of these species are taonga species, which are treasured by Ngāti Hin**e, with tuna being of particular importance. Freshwater eels (tuna) are very important in the lives of Ngāti Hine and are intimately linked with their ability to practise manaakitanga (hospitality) and tākoha (gift, donation). In addition to providing a staple food source, eels play an intricate role in the tikanga (customs), whakataukī (proverb), myths, and legends of Ngāti Hine.[27]
Reducing nitrate to protect ecosystems	**High levels of nitrate and ammonia can kill sensitive organisms including native fish and other in-stream life such as benthic (bottom-dwelling) invertebrates and plants**. Nutrient discharge on waterways can also cause 'over–fertilisation' of aquatic plants, leading to excessive plant growth, algal blooms and the depletion of oxygen dissolved in the water. Dissolved oxygen is essential for healthy ecosystems and fish need it to breathe.
Reducing sedimentation to protect native plans and fish	**Native freshwater plants need light, and most cannot grow in murky water, while thick layers of silt provide a 'foothold' for exotic weeds**. Suspended sediment can damage the gills and delicate body parts of invertebrates, such as īnanga and in some cases can kill freshwater species. Reduction in visibility as a result of sedimentation can also impact on the ability of those freshwater species that rely on sight to catch food.
Restoring riparian vegetation for ecosystems	**Along with its benefits for contaminant filtering, riparian vegetation is critical for native aquatic species**. These species rely on riparian vegetation to provide shade, food (trees drop leaves and insects for food) and habitat, but much of this vegetation has been removed on farmland.
Restoring wetlands is critical for their multiple roles	**More than 90% of New Zealand's repo and wetlands have been drained, mainly for agriculture**.[28] Wetlands are particularly important part of ecosystems due to the number of threatened plants and animals they support. Wetlands act as giant sponges, helping to soak up water and improve water quality. They cleanse water by breaking down nutrients and preventing slit entering streams and harbours, they support biodiversity and are taonga for Ngāti Hine.
Protecting the coastal receiving waters	**NIWA investigations found that the Taumarere is the dominant source of sediment into the Veronica Channel, Kawakawa Inlet, Waikare Inlet, Te Rawhiti Inlet and Southern Bay**. Sediments, nutrients, and chemicals can impact marine aquatic life, including shellfish beds, spawning fish (such as snapper) and seagrass meadows.[29] There are virtually no remediation options for contaminants already in coastal waters, meaning reductions at the source are essential to restore the country's harbours and coasts. Modelling has found that sediment deposits on sensitive macro-fauna communities (crabs, annelids and shellfish) in the most vulnerable Te Rawhiti Inlet are primarily from pasture and commercial forestry in the Taumarere catchment.[30]

27. Williams, E.K.; Boubée, J.A.T.; Paterson, C. 2011. Assessment of the eel fishery in the Kawakawa (Taumārere) River catchment. New Zealand Fisheries Assessment Report 2011/28. https://fs.fish.govt.nz/Doc/22892/11_28_FAR.pdf.ashx
28. Dymond et al, 2021. Vised extent of wetlands in New Zealand. 3444.pdf
29. Larned, S, Hudson, N, & McBride, G. 2018. Water quality state and trends in New Zealand rivers. Analyses of national data ending in 2017. Prepared for Ministry for the Environment. NIWA Client Report No: 2018347CH.
30. Referred to as the Kawakawa catchment. NIWA. 2012. Sediment sources and accumulation rates in the Bay of Islands and implications for macro-benthic fauna, mangrove and saltmarsh habitats, https://www.nrc.govt.nz/media/zccd2s4y/bayofislandssedimentationreportniwasections12.pdf

Strategic alignment

This proposal aligns with a wide range of local and national priorities:

Table 1: Strategic alignment

	NATIONAL/REGIONAL PRIORITY AND PLAN	RELEVANT OUTCOMES SOUGHT	ALIGNMENT
NATIONAL	**Te Mana o te Wai - National policy statement for fresh water (NPS – FW 2020)**	The plan requires freshwater management to prioritise: + The health and well-being of water bodies and freshwater ecosystems. + The health needs of people. + The ability of people and communities to provide for their social, economic, and cultural well-being.	This proposal puts Te Mana o te Wai into practice by prioritising freshwater health, tangata whenua leadership, and community wellbeing. It delivers catchment-wide restoration while embedding mātauranga Māori through joint leadership with Ngāti Hine. These outcomes align with the NPS-FM by protecting ecosystems, involving tangata whenua in decisions, and supporting thriving communities
	Te Mana o te Taiao—Aotearoa New Zealand Biodiversity Strategy 2020	+ Nature's mauri and ecosystems are thriving, from mountains to oceans. + Indigenous species and habitats flourish, enriching people's connection with nature. + Treaty partners and communities lead as Rangatira and Kaitiaki, linking prosperity with biodiversity.	The approach proposed gives effect to Te Mana o te Taiao and the NPSIB by seeking to safeguard the mauri of the water bodies and ensuring that the natural environment connected to water bodies is well so that those that depend on it can thrive, whether that is for social connection, identity, recreation, or enterprise. The approach also recognises the kaitiaki role that treaty partners have in relation to rohe and seeks to empower people and communities to support an effective biodiversity management response.
	National Policy Statement on Indigenous Biodiversity (NPSIB)	The NPSIP aims to: + Recognise the mana of tangata whenua and communities as kaitiaki of indigenous biodiversity. + Protect and restore indigenous biodiversity to maintain its overall health. + Support social, economic, and cultural wellbeing now and for future generation.	

Table 1: Strategic alignment continued

	NATIONAL/REGIONAL PRIORITY AND PLAN	RELEVANT OUTCOMES SOUGHT	ALIGNMENT
NATIONAL	**Heritage and Visitor strategy**	+ New Zealand's natural, cultural, and historic heritage is protected to sustain biodiversity, ecosystem health, and cultural values. + Visitors gain meaningful connections to this heritage. + Tangata whenua and communities benefit through protection and engagement.	The proposed water quality mitigations can ensure that visitors to New Zealand can continue to experience the pristine natural environment they have come to expect. In particular, ensuring that those engaging in water activities can continue to engage with a rich biodiversity in our marine environment will help to maintain our global tourism brand.
REGIONAL	**Te Kahu o Taonui- Ngāti Hine Environmental Management Plan 2022**[31]	+ Ngāti Hine's strategy priorities include: + restoring and protecting the mauri of freshwater by managing the resources in ways which enable Ngāti Hine to provide for their physical, social, economic and cultural wellbeing. + setting robust systems within Council and other external stakeholders, groups and entities to ensure ongoing protection of water bodies.	This approach supports Ngāti Hine's strategy by restoring the mauri of the Taumārere catchment through actions that are mātauranga Māori embedded and uphold Ngāti Hine's wellbeing, such as native planting and wetland restoration. The development and delivery of this programme is co-governed by Ngāti Hine and NRC, placing iwi leadership at the centre of long-term freshwater management.
	Northland Regional Policy Statement	+ Improve freshwater quality and protect key ecosystems and species. + Support sustainable development that boosts regional investment and wellbeing. + Recognise tangata whenua as kaitiaki in resource decision-making.	Our approach is consistent with regional council policies, plans, and strategies in a number of ways, including: + Recognising mana whenua as kaitiaki and encourage actions grounded in tikanga Māori. + Improving water quality and ecosystem health by addressing sedimentation, nutrient overload, and pathogens through targeted restoration. + Safeguarding biodiversity by implementing native planting and wetland restoration to protect significant habitats. + Building climate resilience by increasing carbon sequestration, reducing flood risks, and stabilising soils across the catchment. + Supporting the regional development by creating local employment opportunities, enabling sustainable land use and tourism.
	NRC Freshwater Plan (FWPC) – Regional Policy Statement	+ NRC' FWPC is currently under development. The initial draft describes the proposed outcomes, which include: + Freshwater mauri, biodiversity, and ecological function are protected and improved. + Water quality and flows support ecosystems, species, and community needs. + Wetlands are expanded, habitats restored, and ecosystems made climate-resilient	

31. https://www.nrc.govt.nz/media/capjl1vw/ngati-hine-environmental-management-plan-2022.pdf

We know what works

This programme builds on decades of scientific monitoring, and investment in analysing and understanding the impact of land-use on water quality and the potential for land management practices to arrest declining water quality. This has been brought together with centuries of mātauranga knowledge to form the basis of these findings. It is the next step in a partnership between NRC and Ngāti Hine to drive investment into water quality to reverse the degradation and restore the mauri of Taumārere.

The evidence is clear - water quality can be improved through a suite of land-management mitigations

There are well known and well-tested ways to improve water quality. Interventions often work synergistically to address various sources of degradation, ensuring a holistic approach to water quality improvement across a catchment.

These mitigations are part of a targeted and deliberate land-management approach help to reduce contaminants entering the waterways, better enabling the ecosystem to recover and regenerate.

Measures include:

+ **Riparian planting** helps to stabilise streambanks and offers natural services for water quality when well-managed, including for run-off filtration of nutrients, faecal pathogens, and sediment. It also provides shading and food for ecosystems.
+ **Fencing and stock exclusion**, to remove stock from waterways and wetlands, and reduce nutrient contamination and waterway and soil disturbance, which has been linked with a 13-86% reduction in faecal matter loss to North Island waterways, and a 20-40% reduction in sediment and phosphorous loss from Southland Dairy farms.
+ **Wetland restoration and construction** filter out pollutants, with NIWA modelling showing that constructed wetlands in Northland can have substantial removal efficiencies – at 88% for suspended sediment, 52% for nitrogen 48% for phosphorus, and 95% for E. coli.
+ **Space planting** using deep and rapidly-rooting trees, with numerous studies demonstrating that poplars planted at 10m spacings are able to arrest substantial erosion of pasture land.
+ **Planting of native and exotic forest** on marginal or particularly highly-erodible land helps to stabilise hillslopes to reduce erosion and nutrient run-off, particularly as trees age.

These mitigations are part of a targeted and deliberate land-management approach help to reduce contaminants entering the waterways, better enabling the ecosystem to recover and regenerate.

A collective effort is needed

While there is substantial ambition for change, Ngāti Hine and NRC cannot do this on their own

Together Ngāti Hine and NRC have a strong ambition to improve water quality and a proven partnership. The scale of the change required means that further partners are needed to achieve this ambition.

The critical importance of the wai to Ngāti Hine is reflected in a strong ambition to improve freshwater management in Taumārere

This is outlined in the Ngāti Hine Environmental Management Plan which specifies Ngāti Hine's objectives and policies for the protection and enhancement of the wai, and te taiao more broadly. Substantial ongoing effort goes into this, with kaitiaki rangers working continuously throughout the catchment.[32]

NRC is also focused on improving water quality and its Te Tiriti commitments

NRC's key role under the Resource Management Act (RMA) is to promote the sustainable management of Northland's water resources. It is also committed to giving effect to its obligations under Te Tiriti o Waitangi. It does this through:

+ advice, support and funding to tangata whenua, landowners and the community for freshwater improvement,
+ setting and enforcing rules, and
+ environmental monitoring.

NRC must deliver a wide range of responsibilities across Northland, meaning the availability of large-scale funding for investment in specific areas is limited.

Landowners are not currently able to deliver collective mitigations at scale

As contamination in Taumārere is caused primarily by multiple, widespread and diffuse sources, with a legacy of historic land use at scale, arresting this requires action across the catchment.

Landowners are constrained by affordability, with the costs of mitigations needing to be balanced with commercial viability. Farmers have recently been subject to increasing costs and economic headwinds with dairy farm costs increasing by around 33% over the past three years.[33] Recent extreme weather events have also been expensive and disruptive for farmers.[34]

Resourcing of mitigations is a particular challenge in Taumārere, with 66% of the local population in the most deprived quintile of the New Zealand population with a median personal income of $32,000 (compared to $41,000 nationally).

A further challenge for landowners is that implementing mitigations can require using detailed scientific information to guide decisions on the most effective interventions, which may not be readily available.

These challenges means that landowners require financial resource support to implement mitigations at scale.

32. Kaitiaki rangers protect and enhance te taiao through a wide range of on the ground activities including monitoring, addressing sources of pollution, planting vegetation and managing pests.
33. Dairy NZ. 2023. Cost pressures top of mind for farmers, https://www.dairynz.co.nz/news/cost-pressures-top-of-mind-for-farmers/#:~:text=DairyNZ's%20data%20has%20shown%20that,for%20the%202023%2F24%20season.
34. RNZ. 2024. Northland navigating billion-dollar Cyclone Gabrielle hit, Northland navigating billion-dollar Cyclone Gabrielle hit | RNZ News

Ngāti Hine and NRC are working in partnership and seeking further support

Ngāti Hine and NRC are looking to partner to leverage their respective expertise, capability and interests in improving freshwater outcomes. Any investment has the potential for a wide range of benefits across the community.

Ngāti Hine has a solid track record of achieving environmental, social and economic outcomes in partnership. This includes a 2018 joint venture between the Ngāti Hine Forestry Trust and Te Uru Rākau for planting of pine trees and Manuka.

NRC has significant experience with supporting land management approaches across Northland region, building on its successful land management programme and lessons from the Kaipara Moana sediment reduction programme.

WE HAVE IDENTIFIED THREE MAIN INVESTMENT OBJECTIVES

+ **Te Mana me te Mauri o te Wai in the Taumārere catchment is protected and restored,** supporting a self-sustaining, productive and healthy relationship between the people, whenua and wai.
+ **The role of Ngāti Hine as kaitiaki is recognised in how the catchment and its resources are managed** through the exercise tino rangatiratanga and kaitiakitanga.
+ **Economic opportunities are enhanced**, productive and delivered in a way that is sustainable, resilient and accords with kaitiakitanga.

Ngāti Hine and NRC are looking for investment partners to realise the opportunities for shared benefits in Taumārere

Ngāti Hine and NRC have identified a range of potential partners who are likely to have aligned interests with improving water quality due to the co-benefits for the health of the community, local economy and environment.

Central government: There is strong alignment between central government objectives and the objectives for Taumārere that could lead to partnership or investment; however, it is noted that this proposal is coming at a time of fiscal constraint. Central government investment would align with its objectives to improve freshwater quality, including by supporting farmers to implement on-farm mitigations through freshwater farm plans.[35] As healthy freshwater is a public good, there is a strong first principles argument for government involvement in its protection and restoration from historic degradation. Central government investment would also help to realise the co-benefits of mitigations, which include improving climate resilience of the community through flood mitigation (via wetland creation/restoration and afforestation), improving community and environmental health and protecting local economic activity.

Industry: There is a strong rationale for the agriculture, horticulture and aquaculture industries to invest in and support landowners to improve water quality in the Taumārere catchment. The sheep and beef, dairy, and forestry industries are committed to protecting and enhancing freshwater health.[36] There is also a strong rationale for aquaculture partnership given the implications of poor catchment health for the local industry.

Philanthropic: Philanthropic interests should invest and partner to achieve environmental, cultural, social and economic benefits from improving water quality in Taumārere. This may include planting trees, protecting species, supporting local employment and working in community and Treaty partnership. As an example, Trees That Count collects donations for native trees that are provided to restoration projects.

Investors and green business: The sustainability benefits present a compelling opportunity for investors and green business. Opportunities include green financing for dairy conversion and eco-tourism. There is strong alignment with carbon farming or biodiversity credits that can finance the planting of forests that also improve water quality. Investment would also demonstrate the ability to work on a strengths basis in partnership with Ngāti Hine as a significant landholder in the catchment.

Local community: The local community is likely to benefit from volunteering to support mitigation initiatives (such as riparian planting) because of the range of local benefits, such as improving swimming, mahinga kai, along with jobs and employment opportunities.

35. Government takes first steps towards pragmatic and sensible freshwater rules | Beehive.govt.nz
36. DairyNZ. "We remain committed to helping improve water quality outcomes across all dairy catchments, building off the great work farmers have already undertaken.", link. Beef and lamb. "Our sector is committed to improving our waterways and sheep and beef farmers have done a huge amount of work to protect and enhance freshwater health". Freshwater | Beef + Lamb New Zealand.

PREVIOUS NGĀTI HINE PARTNERSHIPS WITH INDUSTRY AND GOVERNMENT HIGHLIGHT THE POTENTIAL TO DEVELOP THESE PARTNERSHIPS AT A GREATER SCALE

Ngāti Hine has successfully partnered on a range of projects, this includes:

Partnering with the Department of Conservation (DOC) on an award-winning project to restore the Te Papa Paorooro Wetland (The Echoing Wetlands) through riparian planting, removal of invasive willows and other trees chocking flow paths, and predator control.

Partnering with DOC on predator control within Ngāti Hine's forestry areas.

Partnering with commercial forestry (Craigmore and forest managers PF Olsen) to plant eco-sourced mānuka, kahikatea and karamū trees to help restore and enhance the forest alongside the Waiharakeke Stream.

Image: Top Wetland 7 Taikirau Swamp (Opahi) looking south
Source: NRC

SECTION 2

What can we do?

The options and preferred approach

The preferred approach must address the problems, realise the opportunities, and achieve the ambitions of both Ngāti Hine and NRC to give effect to te Mana me te Mauri o te Wai.

This section contains the analysis behind the preferred approach through four sub-sections:

- **The preferred approach – the full range of potential options and assessment of the preferred against the investment objectives and success criteria.**
- **Mitigations – an overview of the mitigations which form the core investments for this approach.**
- **Scenarios – four scenarios for investment which have different mixes of mitigations, to demonstrate the potential impacts.**
- **Costs and benefits – costs and benefits of the four scenarios.**

We have explored a range of options giving effect to Te Mana me te Mauri o te wai

Assessment framework

We assessed the proposed approach against the investment objectives, and the success criteria. This assessment ensures the preferred approach reflects the ambitions of Ngāti Hine and NRC, provides value, and is realistic (achievable, affordable and within the capacity and capability of stakeholders).

Investment objectives

+ **Te Mana me te Mauri o te Wai in the Taumārere catchment is protected** and restored, supporting a self-sustaining, productive and healthy relationship between the people, whenua and wai.
+ **The role of Ngāti Hine as kaitiaki is recognised** in how the catchment and its resources are managed with opportunities for the iwi to exercise tino rangatiratanga and kaitiakitanga.
+ **Economic opportunities are enhanced**, productive and delivered in a way that is sustainable, resilient and accords with kaitiakitanga

SUCCESS CRITERIA

Strategic fit and business needs: meets the agreed investment objectives, and contributes to relevant national and regional strategies and plans.

Value: optimises value (social, economic, and environmental) in terms of the potential costs, benefits, and risks of the project.

Achievability: is likely to be delivered given the ability of relevant stakeholders and key decision makers to respond to the changes required, including assessing relevant regulatory/legislative barriers.

Affordability: can be funded from available finance sources, including government, non-government organisations (NGOs) and commercial arrangements.

Capacity and capability: the ability of key stakeholders, iwi, community groups and local suppliers to deliver the required changes.

The preferred approach

The preferred approach is a targeted mix of mitigations delivered at a catchment scale over the long term through a partnership between Ngāti Hine and NRC supported by stakeholders

To determine the preferred approach, we identified the full range of potential options across the different dimensions of choice and assessed these against the investment objectives and success criteria.

The whole catchment is in scope

We considered confining the scope to certain parts of the catchment. A whole catchment approach is preferred given the causes of the contamination are spread throughout the catchment, recognising that high risk areas can be targeted initially.

All forms of contamination are targeted

The water quality monitoring evidence shows that freshwater contaminants (particularly sediment, E.coli and nutrients) are exceeding thresholds in the Taumārere – and that there are degrading trends for E.coli, visual clarity (sediment) and macroinvertebrates.

Targeting the most widespread and diffuse sources of contamination will address the core impacts discussed in the case for change, supporting a self-sustaining, productive and healthy relationship between the people, whenua and wai. This reflects the ambition to protect and enhance the te mana o te mauri o te wai which encompasses its holistic health.

A mix of mitigations will be used

Given the range of contaminants, we will need to use a mix of mitigations to improve water quality, comprising of riparian planting, fencing, constructed wetlands, and planting of erodible land.

These mitigations are tailored to the Taumārere context as they are effective at mitigating the impact of primary production activities on water quality and aquatic ecosystems. They are also achievable, affordable, and can be delivered within the capacity and capability of key stakeholders. They have a range of co-benefits that are well suited to the objectives of protecting and enhancing Te Mana me te Mauri o te Wai. These mitigations and their benefits are discussed in detail below.

These mitigations will be supported by existing activities that are already contributing to water quality improvement. This includes kaitiaki activities undertaken by Ngāti Hine, freshwater monitoring by NRC and any on-farm mitigations undertaken by landowners.

FRESHWATER FARM PLANS

Central Government has been exploring the design and implementation of freshwater farm plans.

These would be regulatory requirements under the RMA to manage freshwater contamination risk, requiring landowners to identify and implement specific on-farm mitigations, recognising the farm landscape, activities, and local catchment characteristics.

Freshwater farm plan requirements do not currently apply in Northland, and it is unclear when requirements will be extended beyond the initial regions.

Due to cost and complexity concerns, the government is exploring how to improve freshwater farm plan requirements. There continues to be uncertainty as to what the revised freshwater farm plan programme will require, and who it will apply to.

Once finalised, freshwater farm plans could play a complementary role to the programme, heling identify specific on-farm mitigations prioritised by risk, and considering what should be done by landowners to meet regulatory minimums, and where further investment may achieve additional benefits in line with our wider objectives

Regulation is unlikely to be sufficient to drive the changes needed on its own

Resource management planning rules play a role in addressing freshwater quality. National and regional rules under the Resource Management (Stock Exclusion) Regulations 2020, and the Northland Regional Plan Rule C.8.1.2 require certain livestock to be excluded from specified waterbodies.

While these rules go some way to addressing degradation of the waterways, there are several exceptions that mean they are not the panacea for addressing the full mix of contaminants we see within Taumārere. For example:

+ There are no exclusion requirements for beef and deer in hill country and no fencing setbacks are required for beef and deer in lowland country.
+ Where setbacks are required, this is usually only at 0m to 3m widths (rather than larger, more effective setback widths).
+ Regional rules typically do not apply to intermittently flowing rivers/streams which comprise 675km in Taumārere.
+ Rules requiring dairy exclusion only apply to rivers greater than 1m wide.
+ Rules generally do not require other types of mitigations like riparian planting, wetland restoration or afforestation.

These exceptions exist because planning rules need to balance overall affordability of compliance costs on landowners. They also need to consider the potential inequities of requiring current landowners to pay for resolving contamination that has occurred historically.

Some other interventions are not the main focus of this programme

The following interventions were also considered but subsequently excluded from playing a primary role in the preferred approach as they did not satisfy the investment objectives and success criteria:

Large scale land use conversion from agriculture to forestry/or permanent native cover – while this would be beneficial for water quality it is not achievable at scale given the impacts on landowners.

Improved wastewater treatment – this can address point source discharges but would not address the type of contamination in Taumārere which is primarily diffuse.

Ngāti Hine and NRC are seeking partners to join with them on a collaborative programme at scale to improve the catchment

The work programme will be led by Ngāti Hine and NRC, with support from NGOs, landowners, the private sector, and central government. Achieving the scale of mitigations will require a combined effort across all potential partners. This is discussed further in the management case.

The programme will be delivered over the long term within initial targeted prioritisation

The scenarios discussed below illustrate that the scale of mitigations needed to achieve meaningful improvements is substantial. This scale of change means that this ambition to protect and enhance te Mana me te Mauri o te Wai can only be achieved over the long term. It is likely to take time to access sufficient funding, resourcing, capability, and capacity needed to deliver the mitigations.

The programme will initially target mitigations at the highest risk areas to maximise effectiveness. This will ensure that resources are applied to have the largest possible impact on protecting and enhancing te Mana me te Mauri o te Wai.

BIODIVERSITY CREDITS

Biodiversity credit systems are emerging as an increasingly popular way of using private sector funding to support landholder and central and local government efforts to protect, maintain and enhance biodiversity.

A biodiversity credit system would help to conserve habitats and species by enabling landowners, who protect and restore native wildlife, to earn credits for their actions.

The Government is exploring whether a biodiversity credit system could help incentivise the protection and restoration of native wildlife. These systems enable investment in projects that contribute to biodiversity, including afforestation, planting vegetation and restoring wetlands.

Core investments

The core mitigations for investment are:

+ Riparian planting
+ Riparian fencing
+ Construction or restoration of wetlands
+ Space planting to stabilise highly erodible hillslopes
+ Partial native and/or exotic afforestation.

Each of these mitigations has unique characteristics

Each of these mitigations has unique characteristics in terms of how effective they are, the contaminants they can address, their cost, co-benefits, applicability, and implementation considerations.

The following section provides an overview of these features.

Image above: Degraded Wetlands and cabbage tree remnant on floodplain north of Kawakawa looking east. Cabbage tree stands are a rare habitat type in the catchment. Source: NRC

Riparian planting

What is it

Planting the boundaries around freshwater lakes, streams, wetlands and rivers to provide a filter buffer that limits sediment, nutrients and E.coli entering waterbodies.

How would it be applied

Riparian planting involves planting the streambanks with a 3m, 5m, or 10m buffer. It includes a mix of smaller and larger plants. This land is no longer available for pasture.

In Taumārere, there are approximately 304km of perennial and intermittent streams with bank erosion potential. 287km of these are in developed pasture.

We need to work with landowners to identify potential riparian planting areas, and incentivise them to undertake that planting. Planting is typically combined with fencing in agricultural settings to protect the planting from being trampled/eaten by stock.

What does it cost

Standard costs for planting a mix of native species in a 3m buffer area at 1.5m spacing (per Kaipara Moana Remediation (KMR) specs, as presented in 2022 NRC's report: *A costing analysis of the NIWA water quality mitigation scenarios for Northland*[37]) are about **$4.24 per metre**[38] including plants, labour, and site preparation. The costs for maintenance and replacement range from $0.29 to $1.49 per metre, per year.[39]

What would it achieve

Riparian planting helps to reduce erosion by stabilising the streambanks, and acts as a filter to trap contaminants, including chemicals, nutrients, sediment, and bacteria, before they reach the waterway, reducing sediment, E.coli, nitrogen and phosphorus.[40] Its effectiveness depends on a variety of factors, including the type of contaminant loads, width, vegetation, soil structure, and catchment slope.

CONTAMINANTS MITIGATED

+ **Sediment** as streambanks are stabilised by riparian plants.
+ **E.coli, nitrogen, and phosphorus** as vegetation absorbs surface contaminants.

CO-BENEFITS

+ **Ecosystems** through shade, habitats and food sources for aquatic life and reduction of algae.
+ **Productive uses** through Emissions Trading Scheme credits and beekeeping.
+ **Local economic stimulus** with jobs and nurseries needed for installation and maintenance.

COSTS

$4.24 per metre to install and $0.29 to $1.49 per metre for maintenance per year, and some retirement of productive land.

37. Northland Regional Council (2022), A costing analysis of the NIWA water quality mitigation scenarios for Northland.
38. Medium cost adjusted for inflation, NRC, 2022.
39. Medium cost adjusted for inflation, NRC, 2022.
40. McKergow, L., Matheson, F., Goeller, B., Woodward, B. (2022) Riparian buffer design guide: Design to meet water quality objectives. NIWA Information Series 103; and Collins, R., Donnison, A., Ross, C., McLeod, M. (2004) Attenuation of effluent-derived faecal microbes in grass buffer strips. New Zealand Journal of Agricultural Research 47: 565-574.

Riparian fencing

What is it

Fencing waterways to prevent stock access.

How would it be applied

Fencing can be applied to all waterway types, including perennial, intermittent and ephemeral streams, seeps, wetlands, and springs.

It is often applied in conjunction with riparian planting to protect the planting from stock, with setbacks from the stream ranging from 1m to 10m, with 3-5m considered the most effective width for filtering and providing some cp-benefit through shading and temperature regulation.

Note that while fencing is required by regulation to certain farming activities, there are multiple exceptions (discussed above).

What does it cost

Standard costs differ significantly based on slope class and land use type. Fencing costs, [41] which include materials, labour, and site preparation, average around $17.27 per meter for streams within dairy land and $22.09 for streams within sheep and beef land. Maintenance costs are $0.31 per meter per year for dairy and $0.37 for sheep and beef.

Other costs of fencing include the need for stock water reticulation if waterways are fenced off, and the ongoing opportunity cost from lost production, largely determined by buffer width.

What would it achieve

Stock exclusion can achieve significant reductions in E.coli, sediment, nitrogen and phosphorus.[42]
This is particularly when buffer widths of over 3m are used, with greater widths (5-10m) being more effective.

CONTAMINANTS MITIGATED

+ **Sediment** through preventing stock from trampling stream edges which causes erosion.
+ **E.coli** with fencing preventing stock from depositing dung (E.coli) directly into the waterway.
+ **Nitrogen and phosphorus** with the stock exclusion allowing vegetation growth that acts as a filter for surface run-off.

CO-BENEFITS

+ **Ecosystems** through protection of vegetation that provides shade, habitats and food sources for aquatic life and reduction of algae.
+ **Avoided losses from stock bogging.**
+ **Local economic stimulus** with jobs and fences needed for installation and maintenance.

COSTS

Around $17.27 per meter for dairy land and $22.09 for sheep and beef lowland with $0.31-$0.37 per meter per year maintenance costs. Other costs are loss of productive land and need for stock water reticulation.

41. Average medium cost of fencing and maintaining streams within dairy upland and lowland, medium cost for Sheep and beef lowland – values adjusted for inflation, NRC, 2022
42. Grudzinski, B., Fritz, K., & Dodds, W. (2020). Does riparian fencing protect stream water quality in cattle-grazed lands?. Environmental management, 66(1), 121-135.

Constructing and restoring wetlands

What is it

Wetlands are areas covered in, or saturated by, water for at least some of the time and provide habitat for plants and animals adapted to wet conditions. They play an essential role in improving water quality., Many wetlands across New Zealand and in Northland have been drained to make way for farmland or other productive uses. While in the past, 32% of Northland was wetlands, only 5.5% of this area remains.

How would it be applied

Wetlands are recommended to make up 1-5% of a catchment area, with bigger areas enabling greater contaminant reduction.[43] Wetlands can be constructed, through earthworks to establish different sections at varying depths and planting vegetation to ensure correct water flows. Wetlands can also be restored through fencing to keep stock out and planting.

What does it cost

NRC (2022) estimates that wetland establishment costs, based on a 20/80 mix of constructed and facilitated wetlands, average $62,71837F per hectare (for 7-hectare wetlands), [44] with maintenance of $342 38F per hectare, per year. [45] Main costs are from earthworks, plan purchase and planting and fencing. There can also be resource consent costs, and maintenance costs.[46] Other costs to consider include fencing to exclude stock on pastoral land and opportunity costs from lost productive land use.

What would it achieve

Wetlands are effective against all types of contaminants, while also offering significant co-benefits including buffering flows to reduce flooding and supplementing streams during dry periods.[47]

WETLANDS ARE OF GREAT CULTURAL IMPORTANCE TO NGĀTI HINE

Ngāti Hine consider themselves as “swamp people.” They resisted efforts in the 50s and 90s to drain wetlands for economic development. Wetlands, or repo, have an important spiritual quality as well as cultural and traditional significance. Repo can be the abode of a taniwha, a burial place, or utilised for its resources. Repo contain kai (tuna, kēwai, taro, and watercress), dyes (paru –black mud which is used for dying flax) and weaving materials (raupo, harakeke, kōrari, kuta).

CONTAMINANTS MITIGATED

+ **Sediment** as the wetlands slow water flow which allows the sediment to settle.
+ **E.coli** with the vegetation, soil and microbial activity, trapping and breaking down the bacteria.
+ **Nitrogen** through dentification processes where bacteria convert the nitrate into gas.
+ **Phosphorus** due to it binding to the soil in wetlands.

CO-BENEFITS

+ **Cultural benefits** with repo being of high significance to Ngāti Hine.
+ **Flood mitigation** by slowing flows, with the Taumārere particularly flood prone.
+ **Ecosystems** with valuable habitats for native plants and native species.
+ **Potential to earn biodiversity credits**, noting policy is still in development.
+ **Local economic stimulus** with jobs and fences needed for installation and maintenance.
+ **Carbon reduction** through absorbing and storing large amounts of carbon.

COSTS

Average $62,718 per hectare, with annual maintenance of $342 per hectare, with potential loss of productive land.

43. Tanner, C.C.; Depree, C.V.; Sukias, J.P.S.; Wright-Stow, A. E.; Burger, D.F.; Goeller, B.C. (2022). Constructed Wetland Practitioners Guide: Design and Performance Estimates. DairyNZ/NIWA, Hamilton, New Zealand
44. Medium cost adjusted for inflation, NRC, 2022.
45. Medium cost adjusted for inflation, NRC, 2022.
46. Constructed Wetland, DairyNZ and NIWA, 2022
47. Contaminant removal efficiency generally exceeded 50% for sediment, nitrate, microbial pathogens, particulate phosphorus, hydrophobic pesticides, and selected trace elements when wetlands were placed in the correct settings. O'geen, A. T., Budd, R., Gan, J., Maynard, J. J., Parikh, S. J., & Dahlgren, R. A. (2010). Mitigating nonpoint source pollution in agriculture with constructed and restored wetlands. Advances in agronomy, 108, 1-76.

Space planting of erodible land

What is it

Planting trees spaced apart on erodible land. The spacing means the land can continue to be used for agriculture.

How would it be applied

Poplars and willows are often used for space planting, as they grow quickly and have extensive root systems that bind soil, helping to prevent soil movement and loss. Poplars are well suited to hill country, and willows effective for gullies a nd streambanks.

Density of planting is important for effectiveness and is typically between 10-15m.[48]

Taumārere has 3.7% (16.8km2) of pasture in high erosion susceptibility class and 0.3% (1.2km2) of pasture in very high erosion susceptibility class. SEDNET NZ modelling indicates that 96% of the land with potential to generate sediment loss of 500t/km2/year or more in the Taumārere catchment is in developed pasture covering an area of approximately 30 sq/km.[49]

There are likely to be substantial sediment reduction benefits from using planting to stabilise this erodible land. Space planting can be applied to various types of erosion including gully, earthflows, landslides and surface erosion.

What does it cost

The cost per hectare for space planting 100 poplar trees on highly erodible land is estimated at $570.17. These figures reflect land preparation, tree costs and planting costs. Plant releasing costs are about $80 per hectare. Additional costs include the loss of operating profit and the costs involved in fencing the area for stock exclusion for three years to allow trees to grow above grazing height.

What would it achieve

Space planting is effective in reducing sediment entering waterways through soil stabilisation achieved with binding tree roots. It is particularly effective on steep and pastoral land which has highly erodibility risk, with effectiveness depending on the use of spacing.

POTENTIAL TO CONVERT TO NATIVE PLANTS OVER TIME

Native species such as totara and kanuka can control erosion in pastureland. Totara stabilises soil and resists wind. However, totara trees grow much more slowly – taking 40 years to provide the same level of erosion control as a poplar can after 15 years. They also need to be planted more densely. Poplars and willows can be used as an initial stabiliser to support a transition to slower-growing native species.

CONTAMINANTS MITIGATED

+ **Sediment** with the tree root systems stabilising and binding the soil to prevent it eroding and flowing into the waterways.

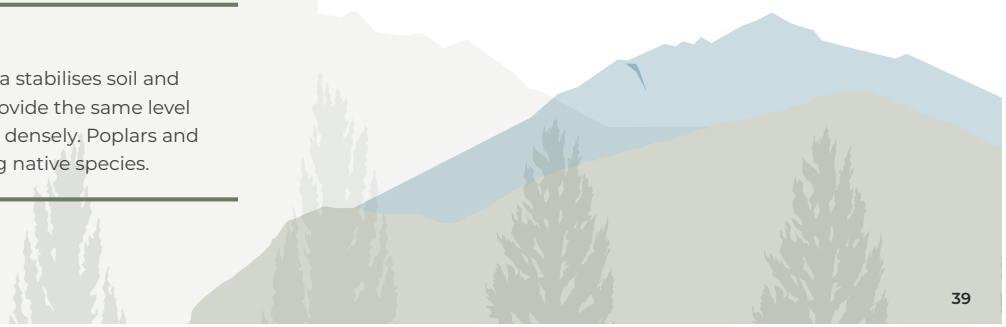
CO-BENEFITS

+ **New Zealand Emissions Trading Scheme credits** can be obtained depending on eligibility.
+ **Potential source of timber** if well managed
+ **Local economic stimulus** with jobs and nurseries needed for planting.
+ **Carbon reduction** through absorbing and storing large amounts of carbon.

COSTS

Space planting costs $570.17 per hectare, with additional releasing costs of $80 per hectare.

48. Schwarz M, Phillips C, Marden M, McIvor IR, Douglas GB, Watson A 2016. Modelling of root reinforcement and erosion control by 'Veronese' poplar on pastoral hill country in New Zealand. New Zealand Journal of Forestry Science 46(4): 1–17.
49. Water quality and land-use summary of Taumārere catchment NRC (Manas Chakraborty Resource Scientist – Freshwater) April 2025



Partial afforestation

What is it

Establishing forest to stabilise the soil and prevent sediment entering the waterways. Afforestation is different from space planting in that it involves retiring the portion of land from agricultural use and converting it to either permanent native or commercial forestry (for carbon or timber harvest).

How would it be applied

Afforestation is often applied to highly erodible land and steep slopes to prevent slope failure. It can also be applied on larger scale (for example, agriculture to forestry conversion) but this is a significant land use change with implications for the commercial viability of the land.

Planting can be done with both native and exotic plants. Planting with pine can provide commercial benefit but also increase sedimentation when the trees are harvested. Planting with native trees avoids this risk given they are not typically clear-fell harvested.

Taumārere has 31km2 of land with high erosion susceptibility class that is currently used for pasture or plantation forestry. These areas would likely achieve significant sediment reductions (and some reduction in E.coli and nutrients if in pasture) from continuous cover forestry with very limited or no clear-fell harvest.

What does it cost

Planting 1,500 stems per hectare for indigenous forest costs $10,600 per hectare,[50] covering site preparation, seedlings, and planting, with an additional $1,197 per hectare annually for weed management.

By comparison, planting 1,000 stems per hectare of Pinus radiata costs $2,500, plus $998 per hectare per year for releasing. Like wetlands, permanent forestry involves fencing costs and opportunity costs from the loss of operating profit due to land use change.

What would it achieve

Establishing forests results in significantly less sediment entering the waterways compared to pasture.[51] Sediment reduction effectiveness is greater for native forest compared to plantation forestry given it is not typically harvested.[52]

CONTAMINANTS MITIGATED

+ **Sediment** with tree roots binding and stabilising soil and increasing soil permeability to allow soakage, allowing sediment runoff to be captured.

CO-BENEFITS

+ **Flood mitigation** through reducing flood risk by allowing trees to absorb excess water.
+ **Ecosystems** through providing habitats for native plants and animals, including threatened species.
+ **Carbon reduction** by absorbing carbon.
+ **Production of goods** such as honey, timber, oil, and potential carbon credits under the Emissions Trading Scheme (with selective logging) if eligible.
+ **Recreation** benefits by offering opportunities for activities like walking and mountain biking.

COSTS

Indigenous forest costs $10,600 per hectare, with an additional $1,197 per hectare annually for weed management. Planting 1,000 stems per hectare of Pinus radiata costs $2,500, plus $998 per hectare per year for releasing. Other costs are fencing and opportunity costs from the loss of productive land.

50. Medium cost adjusted for inflation, NRC, 2022.
51. Fahey, B. D., Marden, M., & Phillips, C. J. (2003). Sediment yields from plantation forestry and pastoral farming, coastal Hawke's Bay, North Island, New Zealand. Journal of Hydrology (New Zealand), 42(1), 27–38. http://www.jstor.org/stable/43944858. Basher LR 2013. Erosion processes and their control in New Zealand. In: Dymond JR ed. Ecosystem services in New Zealand – conditions and trends. Lincoln, New Zealand, Manaaki Whenua Press. 363–374
52. Marden M, Phillips C 2015. A review of research on the erosion control effectiveness of naturally reverting mānuka (Leptospermum scoparium) and kānuka (Kunzea ericoides).

The mitigations and their effectiveness are well established

Modelling demonstrates the potential scale and effectiveness of different mitigations.

The effectiveness of mitigations depends on a range of variables specific to a particular catchment. This includes the scale the mitigation is applied at, the existing land use, hill slopes, erosion susceptibility, and existing mitigations, along with a variety of other factors.

NIWA MITIGATION MODEL

The NIWA model estimates the contaminant reductions that can be achieved at a catchment and sub-catchment level using a combination of empirical data and well-established models calibrated to Northland. It uses Random Forest statistical modelling, Catchment Land Use for Environmental Sustainability (CLUES), New Zealand Sediment Yield Estimator, and SedNetNZ to model the primary freshwater contaminants.
The model identifies sub-catchments with high risk of contamination, enabling a targeting of mitigations in these sub-catchments to maximise effectiveness.

Modelling helps us to estimate both the potential scale that a mitigation can be applied (for example the length of unfenced streams within pastoral land) and the potential contaminant reductions that a scale of mitigation can achieve.

Modelling undertaken by NIWA for NRC estimates the effectiveness of a number of mitigation scenarios for Northland, and the likely reduction in contaminant loads.

The modelled mitigations are riparian fencing and planting streams on dairy and lowland beef farms, establishing native or plantation forests on highly erodible land, space-planting of highly erodible land and constructing wetlands in pastoral headwaters. The modelling was undertaken at a regional scale

Table (overleaf) shows the results for the entire region, however estimated contaminant load reductions will vary significantly for each catchment depending on the mix of land use/land cover, the length of unfenced/unplanted river margins, and the area of highly erodible land and existing wetlands in the catchment.
The model is not able to estimate contaminant load reductions for the Taumārere catchment given it was developed at a coarser resolution, but it can be used to identify the relative effectiveness of each mitigation and where they are likely to be the most effective. It should also be noted that the mitigations are not 'additive' – i.e. load reductions of each mitigation cannot necessarily be combined (that is load reductions from the forest scenarios and space planting cannot be combined as they are applied to the same land in the model).

We can apply this model to Taumārere to maximise the effectiveness of mitigations

The modelling illustrates how mitigations can be targeted to prioritise effort into the sub-catchments of highest risk in Taumārere.

The modelling allows thresholds to be applied that show the minimum effectiveness of a particular mitigation within a particular sub-catchment or watershed area.[53]

53. Note that due to the modelling approach, these contaminant reductions are provided for each mitigation separately; not additively across combined mitigations. The scenarios assume fragmented mitigation approaches which may not translate into the estimated contamination reductions in practice.

These thresholds can then be used to show the scale of mitigation that could be applied for maximum effectiveness. For example, it shows there is 89.6km of streams in Taumārere where fencing and planting would achieve a minimum of 30% reduction in E.coli loads (based on the particular characteristics of those stream areas).

Thresholds are applied to individual contaminants (for modelling purposes), but are mitigations can reduce multiple sources of contaminants. For example, riparian fencing and planting reduce both sediment and E. coli.

By identifying where mitigations are most effective, the modelling shows where to start, and where to move next once highest risk areas have been addressed.

We have used the modelling to take a scenario approach to understand potential investment

We have identified four broad mitigation scenarios to illustrate how different mixes of mitigations could be applied under various implementation strategies, funding availability and levels of ambition. As discussed above, mitigations have differing trade-offs in terms of the costs (both direct and productive impact), the effectiveness and the co-benefits that can be realised.

The four scenarios identified are:

Scenario 1: Ease of rollout – Mitigation used under where implementation minimises costs using the minimum viable mitigations to improve water quality.

Scenario 2: Balanced approach – Mitigations used where moderate costs are accepted to achieve greater water quality improvements.

Scenario 3: Prioritise effectiveness, co-benefits, and wetlands – Mitigations used where significant water quality improvements are sought, alongside co-benefits associated with wetlands development, with greater costs accepted.

Scenario 4: Maximum aspiration – Mitigations used where large costs can be accepted to achieve the greatest water quality reductions and co-benefits.

These scenarios reflect that there is uncertainty on the scale and mix of mitigations that can be implemented – this ultimately depends on the funding and resources available and the level of motivation and commitment from landowners. These factors may change over time, meaning investment could start at a smaller scale, and then scale up as more funding becomes available over time.

The scenarios were developed through a workshop with NRC technical experts, informed by expert opinion on appropriate thresholds for targeting water quality outcomes.

Table 2: NIWA modelling results for Northland

SCENARIOS	REDUCTION IN KEY CONTAMINANTS
Applying fencing and riparian planting to streams without fencing or riparian planting on dairy and lowland beef farmland	+ Sediment: 6% + E. coli: 19% + Phosphorus: 14% + Nitrate: 8%
Applying native forest or plantation forest to all areas of non-forested land cover on highly erodible land	+ Sediment: 26% (plantation) - 31% (native) + E. coli: 7% + Phosphorus: 6% + Nitrate: 2%
Space-planting on highly erodible land	+ Sediment: 13-22%
Constructing wetlands to cover 5% of pastoral land in headwater stream sub-catchments Note the model assumes no existing wetlands within the areas and so comparatively overstates the effectiveness of wetlands	+ Sediment: 18% + E. coli: 48% + Phosphorus: 24% + Nitrate: 17%

Source: NIWA. Water quality modelling for Northland to support NPSFM implementation Current and future states Table 6-2 (riparian planting and fencing, native forest, wetlands); NIWA. Water quality modelling for Northland to support NPSFM implementation: Further scenarios. Table 3-6 (plantation forest), Table 3-7 (space planting). Note that these scenarios are not cumulative

SCENARIO MAPS SHOWING WHICH SUB-CATCHMENTS WILL BENEFIT

For each of the scenarios, we have included maps which show the sub-catchments where contaminant losses will be reduced as a result of applying the mitigation. This is an important distinction – the shaded areas are greater than the extent of mitigation.

For example, native forest would be applied to areas of highly erodible land (shown with red outline) while the green areas show the sub catchments where sediment loss will be reduced (i.e. not all the green areas would be planted). The same applies to space planting and wetland mitigations.

Assessing the benefits

We have developed a framework for assessing the relative benefits of the different scenarios. These benefits were identified and validated through a workshop with participants from NRC and Ngāti Hine.

The workshop participants also applied a weighting to the benefits and co-benefits, as set out below.

Each set of co-benefits was weighted to add up to 100% within its benefit category.

The purpose of this exercise was not to quantify the benefits, but to understand the likely relative benefits of achieving different scenarios, to inform choices on areas of focus.

To reflect their alignment with the project's core objectives, the primary benefits categories – water quality, Ngāti Hine's practices and tikanga, and ecosystem health – were weighted twice as heavily as secondary benefits in the final scenario rating (22% vs 11%).

Table 3: Weightings for assessing the co-benefits of the different scenarios

PRIMARY BENEFITS

CATEGORY	CO-BENEFIT	DESCRIPTION	CO-BENEFIT WEIGHT	RATIONALE FOR THE ASSIGNED WEIGHTINGS
Water Quality (22%)	Sediment	Improved water clarity and waterway bed condition.	40%	Primarily informed by the current condition of the Taumārere catchment, where sediment is a major contributor to water quality degradation.
	Nitrate	Reduction in the median levels of nitrate from fertiliser runoff, animal urine, and treated wastewater discharges.	10%	Primarily informed by the current condition of the Taumārere catchment, where nitrate is not a significant water quality concern.
	Phosphorus	Reduction in the median levels of reactive phosphorus.	10%	Primarily informed by the current condition of the Taumārere catchment, where phosphorus is not a significant water quality concern.
	E. coli	Reduction in pathogen levels entering freshwater due to human sewage and animal manure.	40%	Primarily informed by the current condition of the Taumārere catchment, where E. coli is a major water quality concern.

Table 3: Weightings for assessing the co-benefits of the different scenarios continued

PRIMARY BENEFITS

CATEGORY	CO-BENEFIT	DESCRIPTION	CO-BENEFIT WEIGHT	RATIONALE FOR THE ASSIGNED WEIGHTINGS
Ngāti Hine's practices and tikanga **(22%)**	Spiritual, cultural, and traditional significance (existence value)	Ability to support the ecosystems and waterways in a manner that recognises their mana and spiritual, cultural and traditional significance.	33%	Assigned equal weighting to the co-benefits of *kaitiakitanga* and *manaakitanga* and *Mahinga Kai*, in recognition of their interconnected and holistic values.
	Kaitiakitanga	Ability for Ngāti Hine to practice kaitiakitanga including using mātauranga knowledge to inform restorative efforts and the transmission of this knowledge for future generations.	33%	Assigned equal weighting to the co-benefits of *manaakitanga* and *spiritual, cultural, and traditional significance*, in recognition of their interconnected and holistic values.
	Manaakitanga and mahinga kai	Ability for Ngāti Hine to undertake cultural practice related to manaakitanga and mahinga kai.	33%	Assigned equal weighting to the co-benefits of *kaitiakitanga* and *spiritual, cultural, and traditional significance*, in recognition of their interconnected and holistic values.
Ecosystem benefits **(22%)**	Water biodiversity	Thriving and resilient aquatic ecosystems, including freshwater eels (tuna), native fish, macroinvertebrates and marine plants.	33%	Assigned the same weighting as *land biodiversity and habitat connectivity*, reflecting ecological interdependence grounded in te ao Māori values of interconnectedness and unity.
	Land biodiversity	Improved pathways for wildlife, enabling species to move freely, find food, and establish territories - Related to te ao Māori concept of connectivity.	33%	Assigned the same weighting as *water biodiversity and habitat connectivity*, reflecting ecological interdependence grounded in te ao Māori values of interconnectedness and unity.
	Habitat connectivity	Ability for Ngāti Hine to undertake cultural practice related to manaakitanga and mahinga kai.	33%	Assigned the same weighting as *land and water biodiversity*, reflecting ecological interdependence grounded in te ao Māori values of interconnectedness and unity.

SECONDARY BENEFITS

CATEGORY	CO-BENEFIT	DESCRIPTION	CO-BENEFIT WEIGHT	RATIONALE FOR THE ASSIGNED WEIGHTINGS
Climate change and extreme weather resilience (11%)	Flood mitigation	Enhanced resilience of homes, farms, schools, and other properties and infrastructure against flooding.	30%	While flood mitigation is a potential benefit, it was weighted less heavily than *carbon sequestration*, as the proposed mitigations are expected to deliver significant impact in terms of CO2 outcomes.
	Carbon sequestration	Decrease in CO2 emissions.	70%	Reflecting the significant potential of the proposed mitigation measures in facilitating CO_2 capture and storage.
Community (11%)	Water biodiversity	Reduced illness risk related to drinking, swimming or eating food grown in polluted water.	35%	Given the highest priority among all community benefits to highlight the important relationship between water quality and public health.[54]
	Recreation (including recreational fishing)	The community can engage with and enjoy the water, gaining the mental, physical, and psychological benefits of connecting with the improved freshwater environment. This co-benefit also includes the community's ability to go fishing in the area in a safe and sustainable way.	15%	A significant weighting was given to highlight the importance of water-based recreational activities in the area. This is reflected, for example, in the fact that the region has the second-highest level of vessel ownership or use (40%) [55], just behind the Tasman region.
	Community participation and engagement	Increasing community responsibility and ownership in advancing water quality and sustainability including supporting behaviour change, landowner engagement and community initiated activity.	15%	While not a targeted outcome of the remediation efforts, their implementation is expected to increase community participation and engagement in water quality issues and in environmental matters more broadly.

54. Our freshwater 2023 | Ministry for the Environment
55. Recreational Boating Participation Research 2020

SECONDARY BENEFITS

CATEGORY	CO-BENEFIT	DESCRIPTION	CO-BENEFIT WEIGHT	RATIONALE FOR THE ASSIGNED WEIGHTINGS
Economic (11%)	RECEIVING ENVIRONMENT			
	Commercial fishing and aquaculture	A more resilient and productive fishing and aquaculture industry in the region.	15%	The project may benefit commercial fishing and aquaculture, but these received a low weighting due to their indirect connection to the project's objectives and the sector's small size - 207 people were employed in the Far North District in 2024 (Stats NZ SA2 data).
	Tourism	An enhanced and more resilient tourism industry due to improved features from regional water body services.	25%	Tourism was given a relatively high weighting due to its economic importance in the area, despite not being a targeted outcome. For example, it accounted for 2,777 jobs (9.9% of employment) in the Far North District in 2024.[56]
	DIRECT ACTIVITIES			
	Job creation and skills development	The creation of new job opportunities and skills resulting from the implementation of mitigation measures.	25%	A relatively high weighting was assigned, as catchment remediation is expected to directly generate jobs and support skills development, though the extent of these benefits depends on the type and scale of mitigations implemented.
	Carbon and voluntary nature credits	Opportunities for businesses and investors to earn carbon and nature credits through the implementation of mitigation measures.	25%	A high weighting was assigned, as remediation has the potential to generate income from carbon and nature credits,[57] depending on the type and scale of afforestation and wetland restoration.
	Farm's productivity, income & resilience	Diversified income through the production of goods such as honey, oil, and timber. Reduced economic losses related to the mitigation. Lower risks to farm productivity (for example stock losses) and improved soil conservation.	10%	Some proposed mitigations may improve farm productivity, income, or resilience. However, due to uncertainty or limited evidence, these benefits were assigned a low weighting.

56. https://rep.infometrics.co.nz/far-north-district/tourism/employment?compare=new-zealand
57. Government backs voluntary nature credits market | Ministry for the Environment

Scenario 1: Ease of roll out

Summary

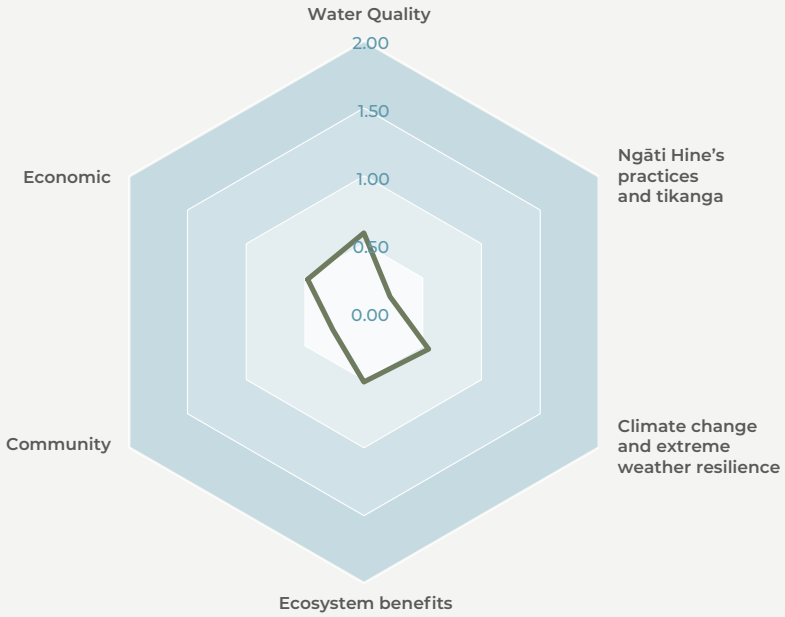
This scenario sets out what would happen under a modestly sized programme, focused on mitigations which have a lower direct impact on landowners.

This would result in a programme focused on:

+ Riparian fencing and planting on **continuously flowing streams**, with 3m set-back which minimise the impact on landowners
+ Space planting **the most highly erodible land**, so that that land may continue to be used for grazing pasture.

This scenario would occur should landowners be less willing overall to engage in the programme, or where there is a lower level of funding available overall. It also provides a useful starting point before considering larger scale change.

Figure 3: Benefits: Ease of Roll-out



What mitigations does this include

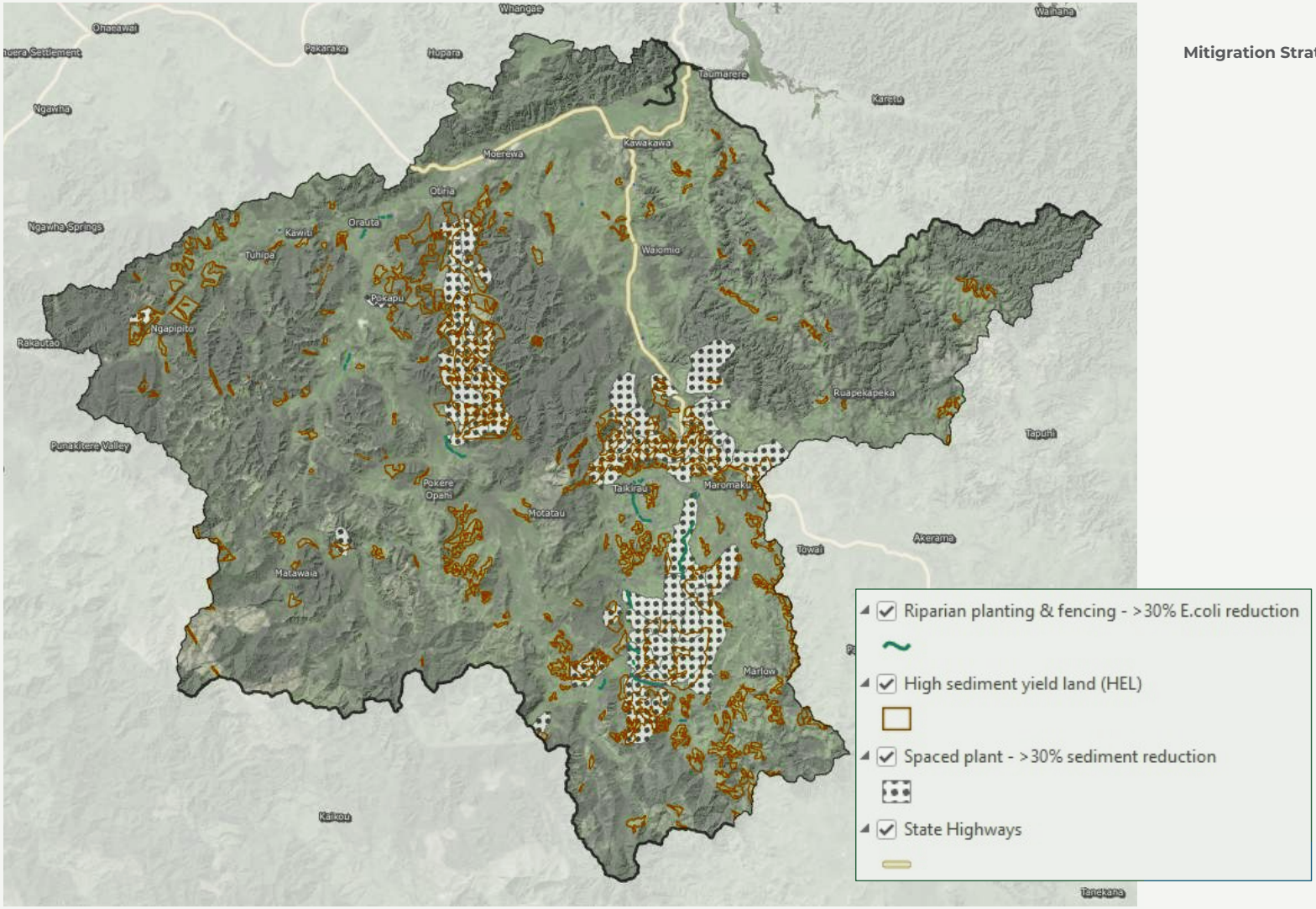
+ **11.22 km of riparian fencing and planting with 3m set-back** – continuously flowing rivers only, where the intervention is estimated to achieve greater than a 30% reduction in E. coli.
+ **20.4km2 of space planting** on pasture on highly erodible land (>500t/yr/km2) where it would achieve greater than 20% reduction in sediment within a given subcatchment.

What are the costs

+ Mitigation costs: $8.35m
+ Maintenance costs: $0.821m
+ Opportunity costs: $0.94m

What are the benefits

This scenario achieves modest benefits in line with its modest scale and highly targeted set of mitigations, with benefits focused on water quality outcomes with comparatively lower benefits relating to Ngāti Hine connection and community outcomes.



Mitigration Strategy: Ease of rollout

Scenario 2: Balanced approach

Summary

This scenario balances a range of mitigations including a focus on those direct mitigations that have less impact on landowners, while also undertaking modest investments in native afforestation and wetlands creation, which prevent from other productive uses.

This scenario assumes a greater level of lando−ater than 50% reduction in E. coli.

What mitigations does this include

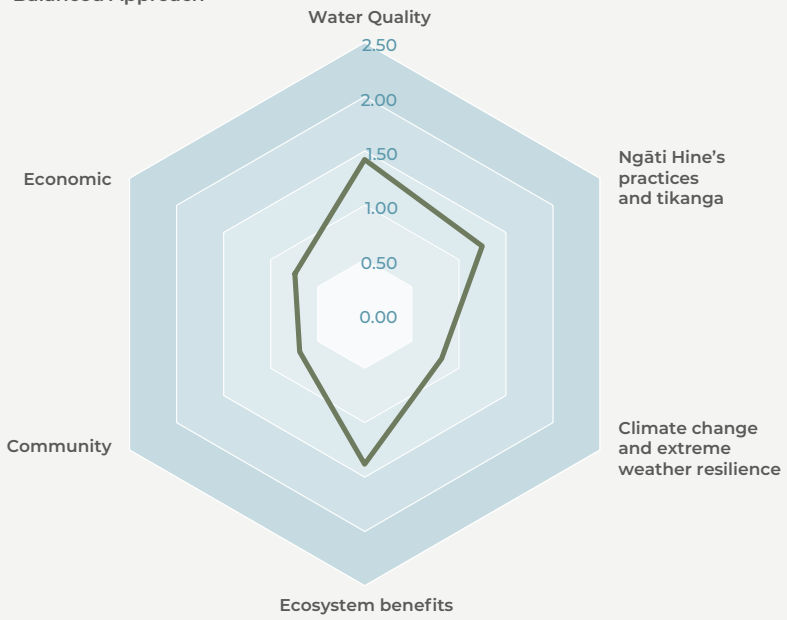
44.5 km of riparian fencing and planting with 5m set-back – on perennial and intermittent streams where the intervention is estimated to achieve greater than a 30% reduction in E. coli.

Native afforestation where afforestation would result in > 70% sediment reduction within a given subcatchment.

5.9 km2 of space planting on highly erodible land where it would achieve greater than 20% reduction in sediment within a given subcatchment.

1.1 km2 of wetlands restored, to cover 2% of pastoral headwaters where it is expected to achieve a greater than 70% reduction in E. coli within a given subcatchment.

Figure 4: Benefits: Balanced Approach

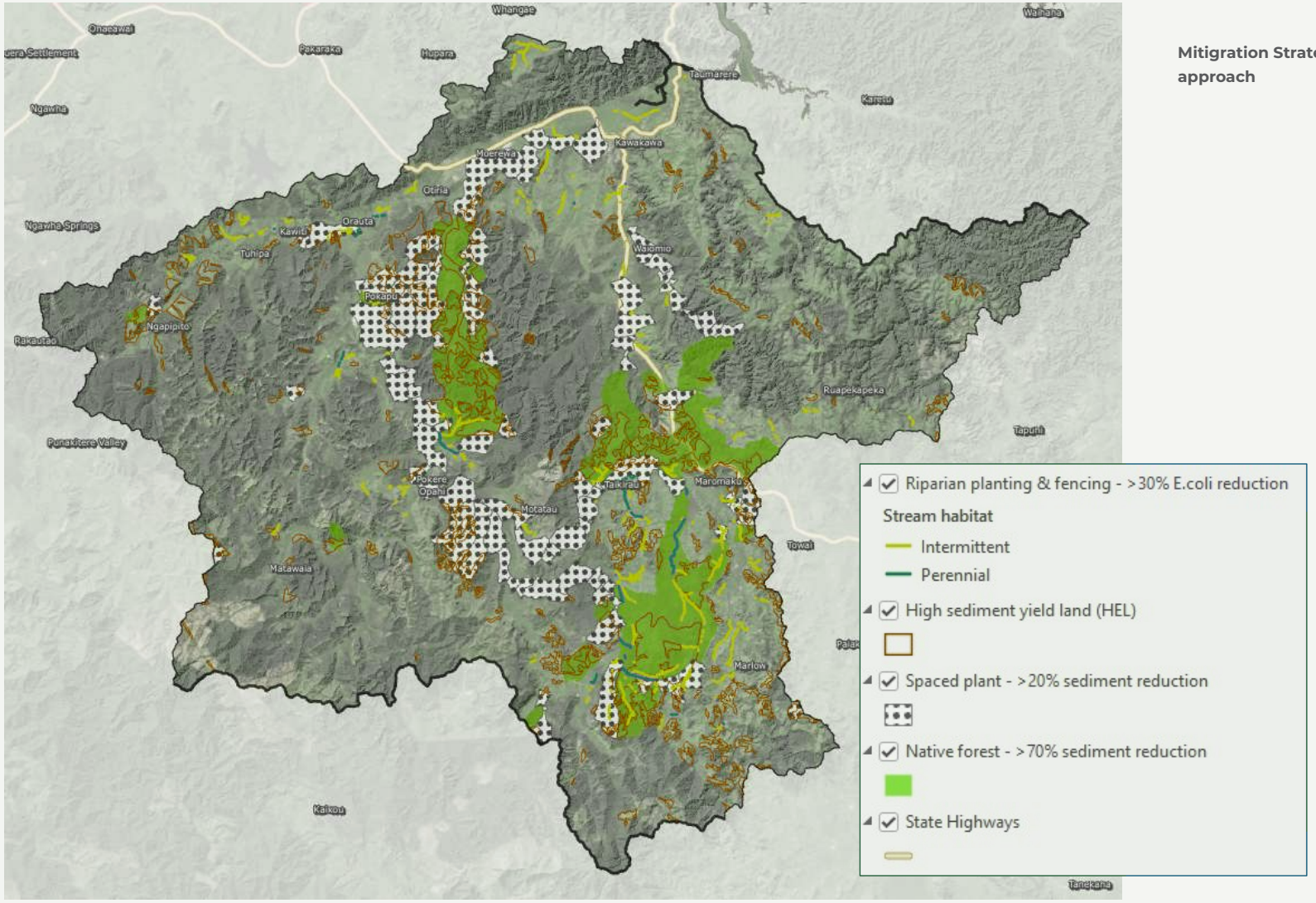


What are the costs

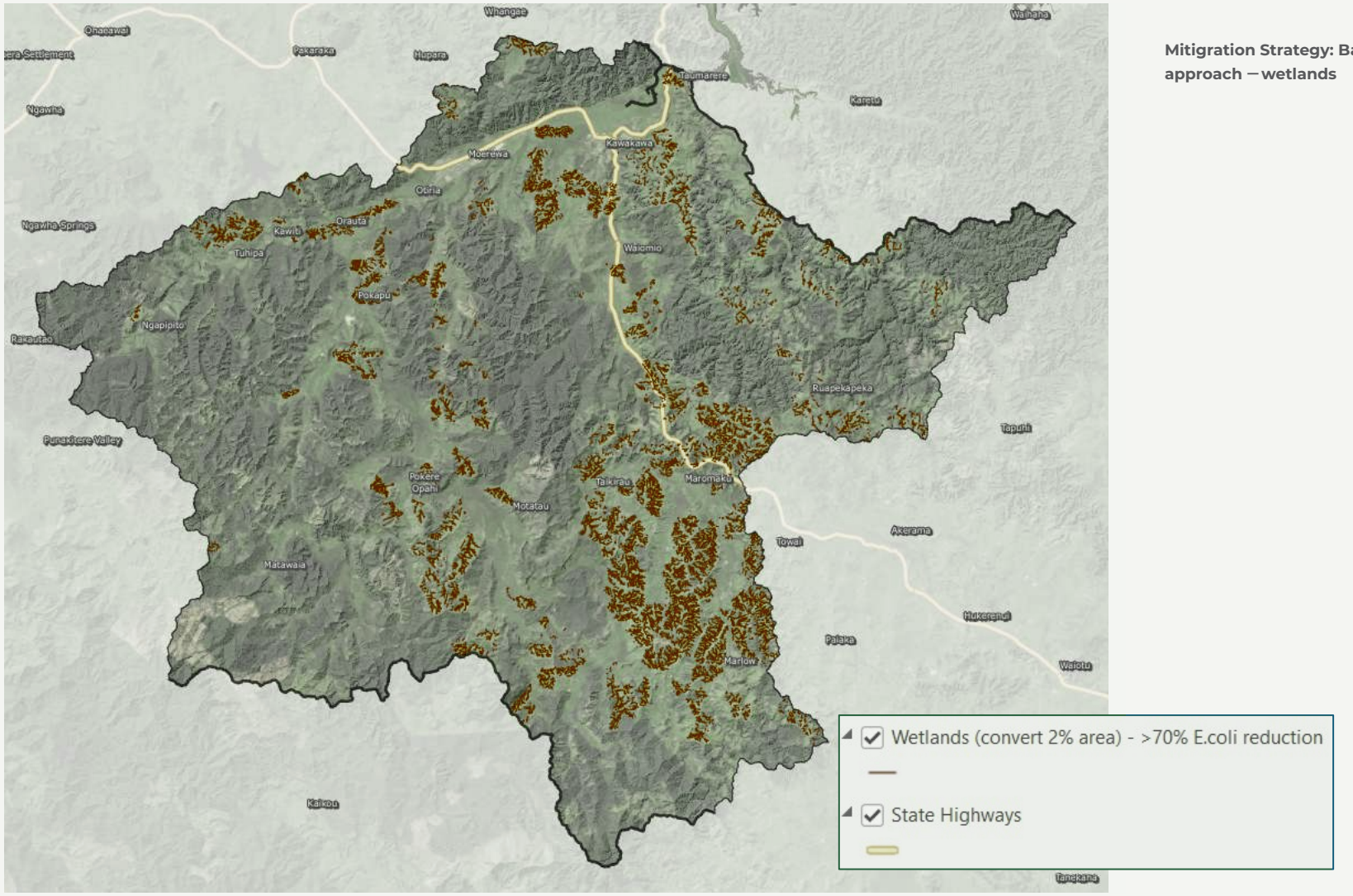
+ Mitigation costs: $35.8m
+ Maintenance costs: $4.9m
+ Opportunity costs: $2.3m

What are the benefits

This scenario achieves a broader range of benefits including a greater emphasis on benefits to Ngāti Hine's connection and some modest economic and community benefits.



Mitigration Strategy: Balanced approach



Mitigration Strategy: Balanced approach — wetlands

Scenario 3: Prioritise co-benefits and wetlands

Summary

This scenario focuses on larger scale change that is expected to drive greater water quality outcomes and a broader range of co-benefits.

Riparian fencing and planting are undertaken on all continuously flowing streams, and intermittent with five metre setbacks, enabling greater filtration of contaminants and much greater habitat and ecosystem benefits.

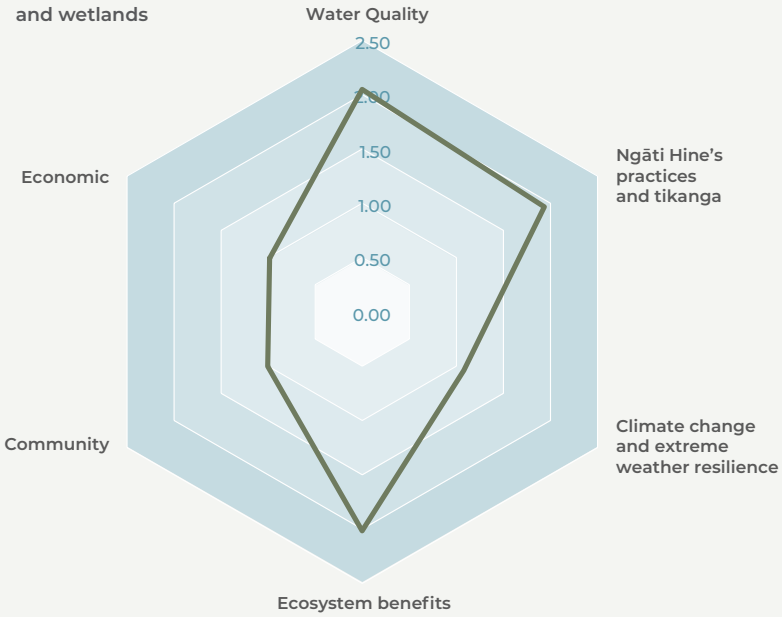
It also increases the extent of afforestation and wetlands creation.

This scenario would occur when there are a large number of willing landowners, and a greater number of potential funders and funding sources.

What mitigations does this include

44.5 km of riparian fencing and planting with 5m set-back – perennial and intermittent streams where the intervention is estimated to achieve greater than a 30% reduction in E. coli within a given subcatchment.

Figure 5: Benefits: Prioritise co-benefits and wetlands



20.6 km2 of native afforestation where afforestation would result in > 50% sediment reduction within a given subcatchment.

3.79 km2 of wetland restoration, to provide 5% cover of pastoral headwaters where it would achieve a greater than 50% reduction in E. coli within a given subcatchment.

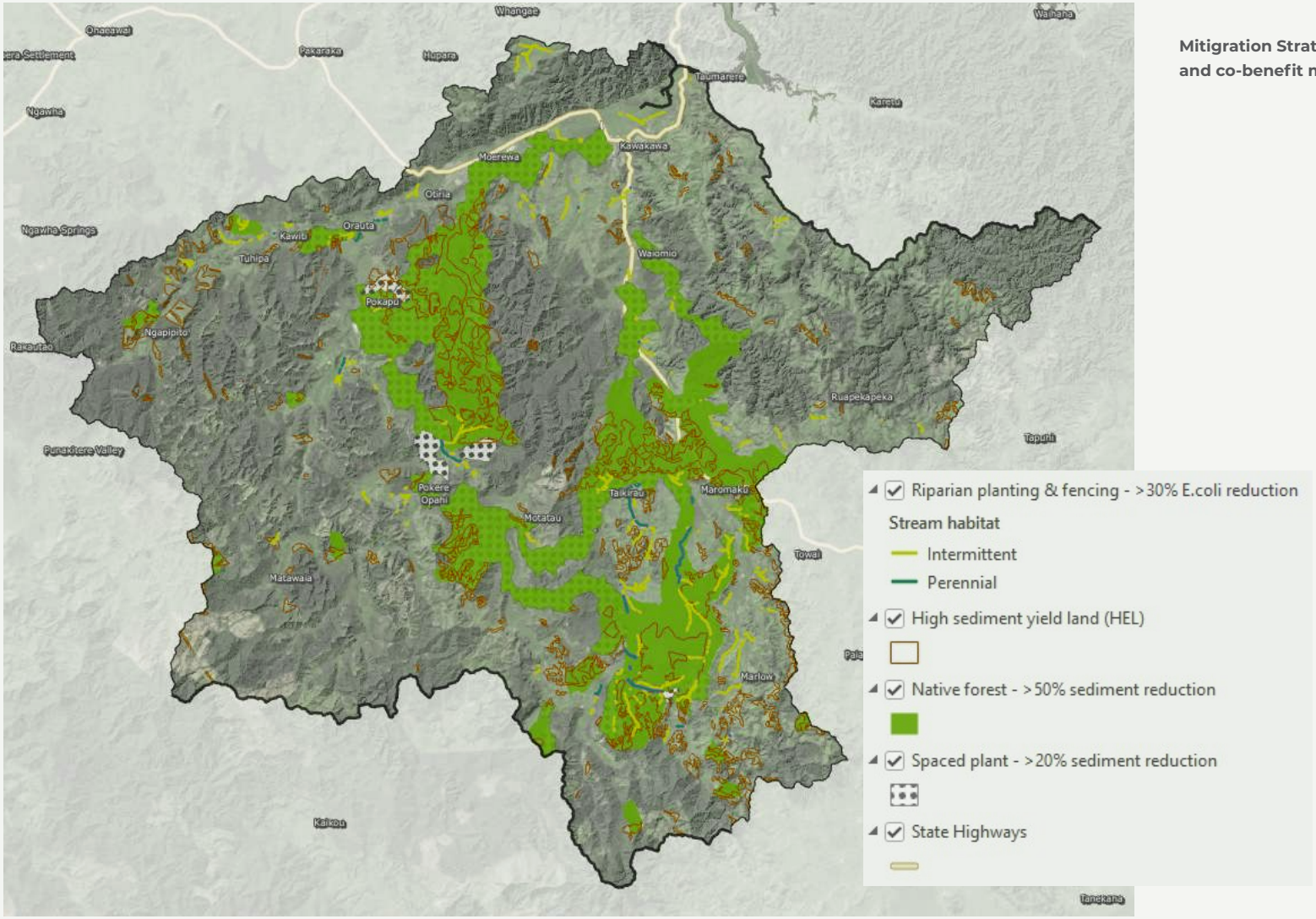
0.4 km2 of space planting on highly erodible land.

What are the costs

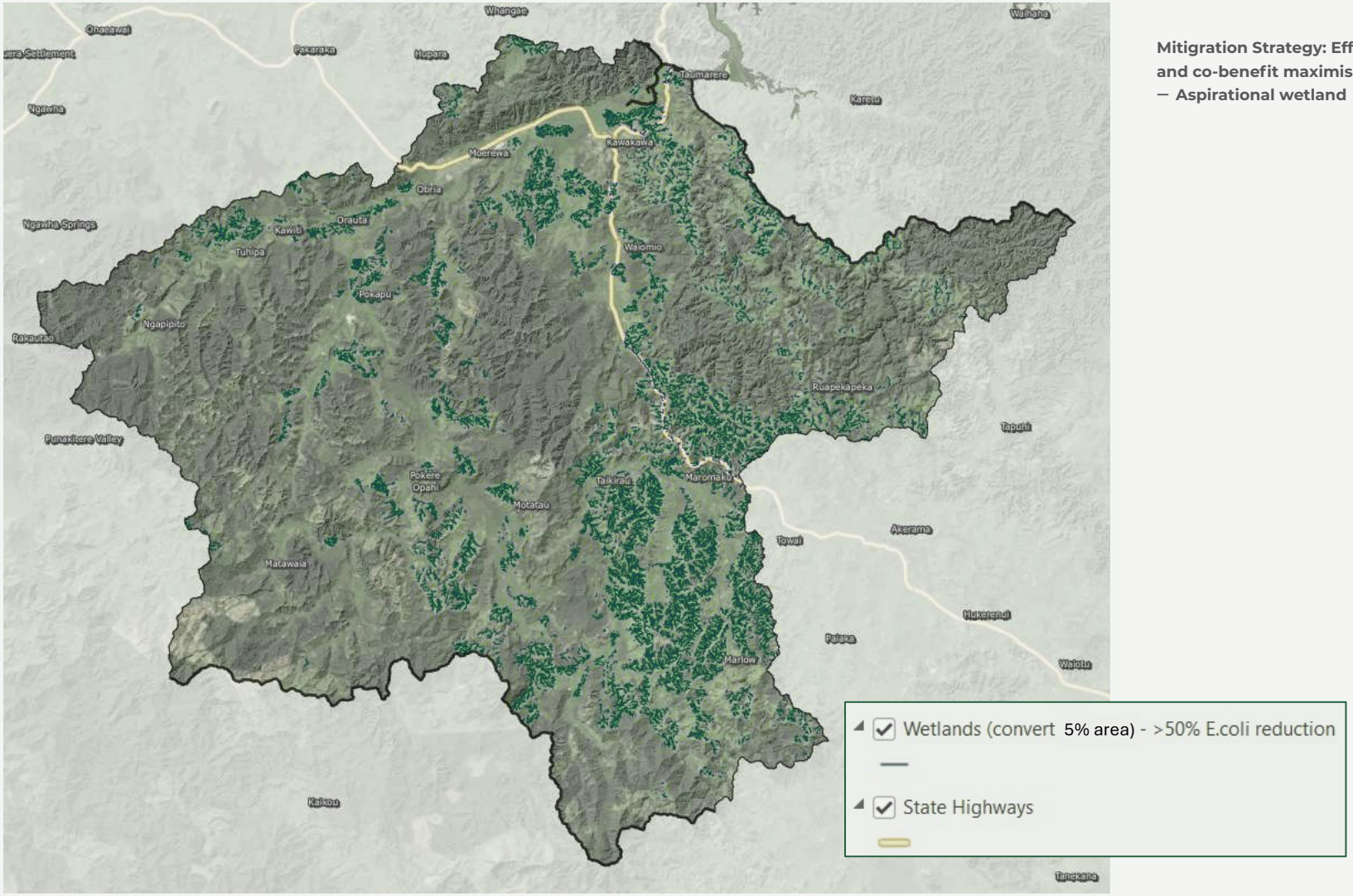
+ Mitigation costs: $61.5m
+ Maintenance costs: $6.7m
+ Opportunity costs: $5.1m

What are the benefits

This scenario sees much greater benefits for water quality across the board, with the emphasis on wetland restoration driving increased outcomes for water quality, ecosystem benefits, and Ngāti Hine, with comparatively increased economic opportunities recognising the increased potential of biodiversity credits.



Mitigration Strategy: Effectiveness and co-benefit maximising



Mitigration Strategy: Effectiveness and co-benefit maximising
— Aspirational wetland

Scenario 4: Maximum aspiration

Summary

This scenario assumes longer term availability of extensive funding, and high levels of participation from a wide range of motivated landowners.

It includes much more extensive planting and fencing of waterways **(all continuously flowing and intermittent streams)**, with greater set-backs of 10m, enabling greater filtration of contaminants and much greater habitat and ecosystem benefits.

It also increases the extent of afforestation, although given the extensive setbacks on the riparian waterways does not create as much wetlands as Scenario 3.

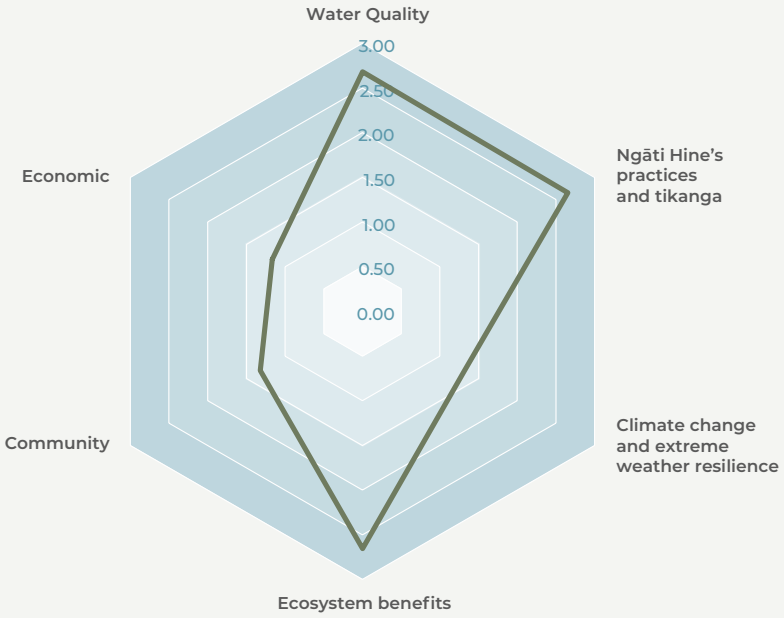
What mitigations does this include

153.6 km of riparian fencing and planting with 10m set-back – all perennial and intermittent streams with no riparian cover in agricultural pasture.

26 km2 of native afforestation afforestation would result in > 30% sediment reduction within a given subcatchment.

3.79 km2 of wetland restoration, to provide 5% cover of pastoral headwaters where it would achieve a greater than 50% reduction in E. coli within a given subcatchment.

Figure 6: Benefits: Maximum aspiration

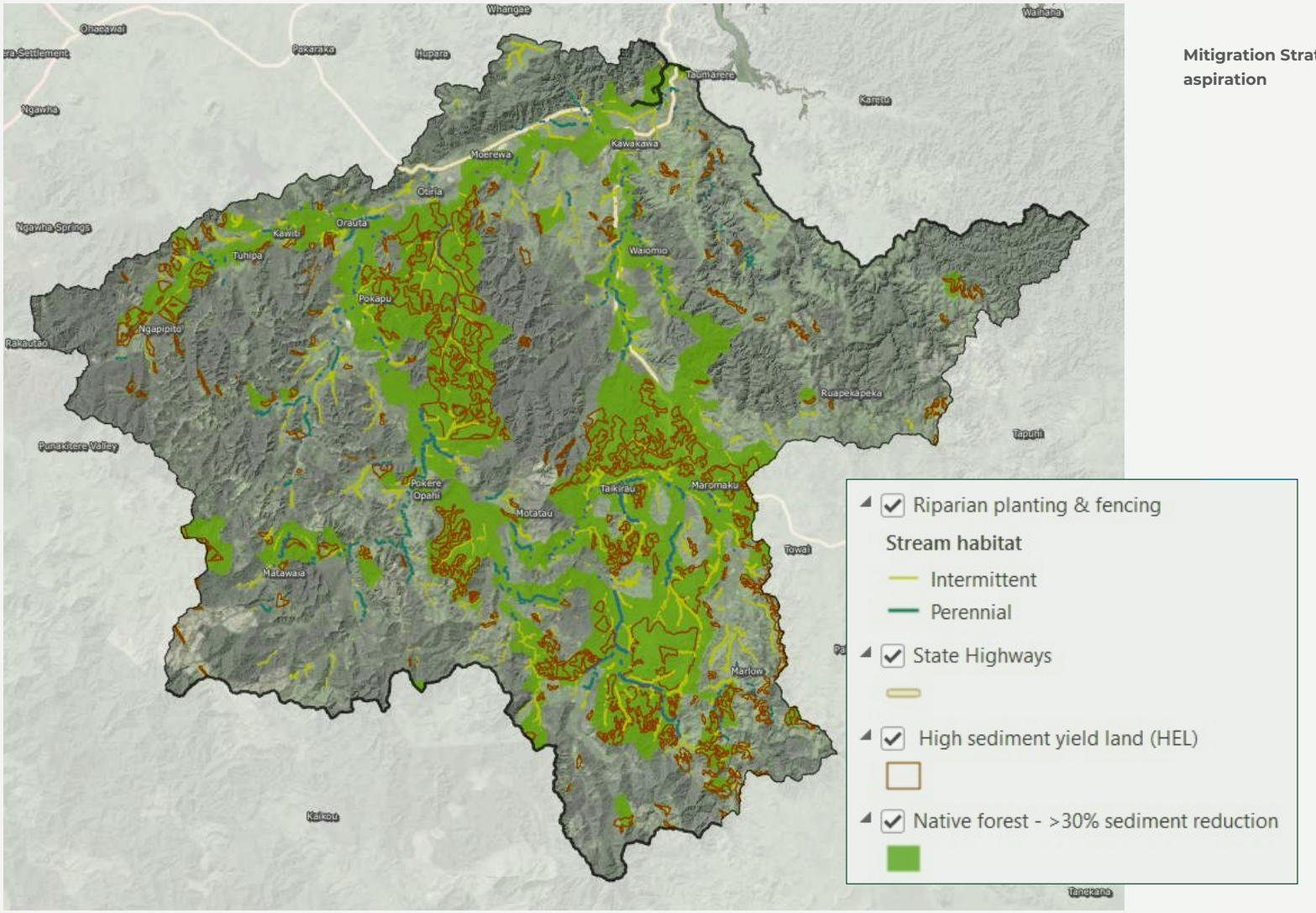


What are the costs

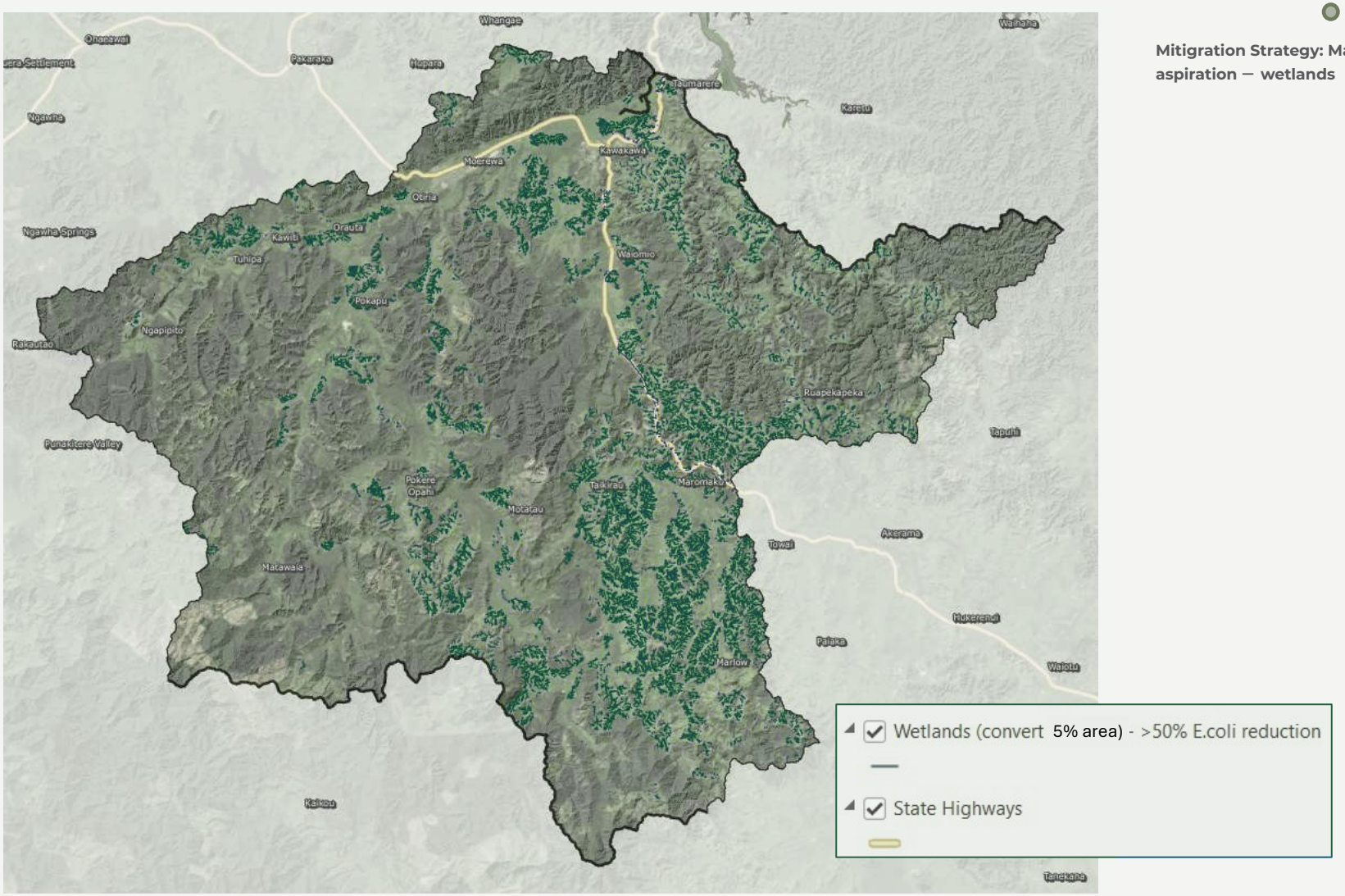
+ Mitigation costs: $75.5m
+ Maintenance costs: $10.5m
+ Opportunity costs: $5.6m

What are the benefits

This scenario sees much greater benefits again, but comes with much greater costs, both direct costs for implementing the mitigations, ongoing costs for maintaining the mitigations, and opportunities costs from foregone land use.



Mitigration Strategy: Maximum aspiration



Mitigration Strategy: Maximum aspiration — wetlands

SECTION 3

Making it work

An opportunity to partner to achieve a shared vision

This section sets out how we intend to work to implement the range of mitigations in Partnership.

It covers:

- **the anticipated partnership approach to support and deliver the programme.**
- **a phased approach to get build engagement and commitment, balancing water quality investments with disruption to landowners, before shifting into a more extensive remediation programme.**
- **the anticipated costs over 20 years to deliver the programme of work, and how these could be met through funding partnerships, and an implementation plan.**

An opportunity to partner to achieve a shared vision

Remediating the Taumārere is a long-term programme of work

Ngāti Hine and NRC have worked collaboratively to establish a robust long-term programme that is well-evidenced and rigorous

Improving water quality at catchment scale requires implementing a suite of mitigations across a wide area. This scale means implementing these mitigations will need to occur over the long-term. It will take time to access sufficient funding and resources, to build the capacity and capability needed to implement mitigations, and to reach consensus with landowners.

The programme can be prioritised with a project-based approach meaning it is attractive to partners

Sources and timing of funding and resources are likely to be fragmented. This means that mitigations will need to be delivered through distinct projects in line with the scale of resourcing available (for example, access to a small grant may only enable the fencing and planting of a single sub-catchment). This approach enables each individual investment to be better leveraged and to contribute a greater benefit to the whole programme.

The NIWA modelling enables mitigations to be targeted at the highest risk areas in the catchment. Initial resources can be targeted to this 'low-hanging fruit' to achieve the most effective contaminant reductions.

A Te Tiriti based foundation to achieve shared goals

The work programme will have a strong foundation

The implementation of the work programme must recognise the role and responsibility of Ngāti Hine as kaitiaki; and the delivery of the programme of work outlined in this document represents an opportunity for NRC to further its partnership with Ngāti Hine as a Te Tiriti Based organisation.

NRC has key functions in improving water quality and representing community interests. NRC has specialist capability in delivering these types of mitigations including in the water science and community engagement, provides land management advice, and operates some grant funding.

NRC also administers resource management regulation (regional plans and policies which set requirements on water quality) which is an important part of improving water quality, as well as delivering a number of relevant programmes.

Both parties therefore need be jointly involved in the programme delivery and governance – recognising in NRC's roles and functions in improving water quality and representing community interests and Ngāti Hine's responsibility as kaitiaki.

Ngāti Hine and NRC have an established relationship

Ngāti Hine and NRC have a relationship based on mutual respect, understanding, and collaboration. The Mana Whakahono ā Rohe agreement between Te Rūnanga o Ngāti Hine and NRC provides a foundation for ensuring that the voices and values of Ngāti Hine are integral to Resource Management Act decision making.

NRC is committed to being an active Te Tiriti partner by developing and maintaining a meaningful relationship with tangata whenua by providing support, resourcing, and processes to ensure tangata whenua have a long-term influential role in decision making for the region.[58]

There is an ability to further extend the benefit of partnering. Ngāti Manu and Ngāti Hine share rohe boundaries in some parts of the catchment. Ngāti Hine intend to engage with Ngāti Manu to partner where appropriate.

NGĀTI HINE ASPIRATIONS

Ngāti Hine seeks an approach that:

+ recognises the relationship between Ngāti Hine and te awa tapu o Taumārere
+ upholds the mana of the Iwi and recognises their role and responsibility as kaitiaki
+ honours traditional knowledge and kaitiakitanga (guardianship)
+ promotes sustainable and culturally appropriate environmental stewardship
+ strengthens the capacity of both parties to address environmental challenges, and
+ supports the long-term wellbeing of the land and its people.

Image top: Opahi Swamp
Image bottom source: Ngāti Hine

58. Northland Regional Council and Te Taitokerau Māori and Council Strategic Intent Te Tiriti Strategy and Implementation Plan.

We can start now

The potential for this programme is significant – but the scenarios approach shows that there are mitigations that can be done now, with an ability to balance high impact on water quality with lower disruption on landowners.

We propose taking a phased approach to this programme, beginning with 'Scenario 1: Ease of Rollout' to build upon the existing work and capability of Ngāti Hine, develop the profile of the programme, and generate confidence and buy-in from landowners. This first phase would focus initially on riparian planting and fencing, and stabilisation of the most highly erodible land.

As this programme continues, we have aspiration to shift over time into Scenario 3 'Prioritise co-benefits and wetlands' seeking more extensive remediation activities across the catchment, with a greater focus on afforestation, and the restoration of wetlands.

Taking this phased approach also lets us start with what we know will work, while preparing for new biodiversity credit systems that are being developed, that may support work on afforestation and wetlands restoration.

Opportunities for NGOs and landowners contribute

Non-governmental organisations (NGOs), landowners, the private sector, and central government are expected to play a role in supporting the programme ambition. These parties have aligned interests and can bring important capability and capacity (including funding and resourcing) to the programme.

The erosion processes and reduced ability of the whenua to filter contaminants were set in place generations ago. The cost of implementing the necessary mitigations now is unlikely to be affordable to any individual party, including the current landowner, especially where the mitigations go beyond current regulatory minimums.

In addition, land that is likely to need the most in terms of mitigation effort (for example hill country) tends to be lower productivity/less revenue meaning even greater challenges for landowners to fund/implement.

Recognising this, and the scale of the benefit that will be achieved by restoring te mana me te mauri o te wai, safeguarding a taonga for future generations, means that a collective effort will be required across partners.

Opportunities for partnership include:

+ **Landowners** – Most mitigations will need to be placed on private land, so landowner agreement will be critical to achievability; landowners may also provide co-funding to implement mitigations.
+ **Central government** – May provide funding for mitigations where there is alignment of interests, either directly or through grant programmes administered by the Ministry for the Environment and Ministry for Primary Industries.
+ **NGOs and philanthropic interests** – May provide funding and specialist capability and capacity.
+ **Industry** – Industry organisations like Fonterra and DairyNZ have a history of supporting water quality improvement through providing resources and funding, and can play a role in raising awareness, encouraging and incentivising participation, and directly contributing to help co-fund mitigations.
+ **Green business** – May provide finance and expertise where there is a profit incentive (for example, planting for carbon credits, biodiversity credits and other nature-based mechanisms).
+ **Community** – May provide capacity through volunteers to support implementation of mitigations.

Building on an existing partnership

Successful delivery of the programme will need a range of core functions

The following functions would need to be held across the governance and management model to deliver the programme.

+ **Programme governance, management and oversight** – This involves setting the strategic direction, undertaking management of the overall programme and funding, general programme administration, and having oversight of progress to maximise the positive benefit of each investment.
+ **Funding management** – Identifying and applying for funding and managing the relationship with the funder including meeting any reporting or return information requirements.
+ **Catchment planning and performance information** – Determining the catchment management approach, including where to prioritise mitigation efforts to achieve the greatest benefit, requiring access to scientific modelling and data.
+ **Mitigation management and implementation scale benefits** – This involves procuring materials and labour, managing delivery and managing other administrative tasks such as working with landowners.
+ **Stakeholder engagement** – Given the programme will interact with a range of stakeholders, there will need to be a point of contact and engagement for funders, the community, landowners, and other partners.
+ **Water quality monitoring** – Ongoing monitoring of water quality. This includes through existing Ngāti Hine cultural monitoring frameworks.

Proposed partnership and delivery model

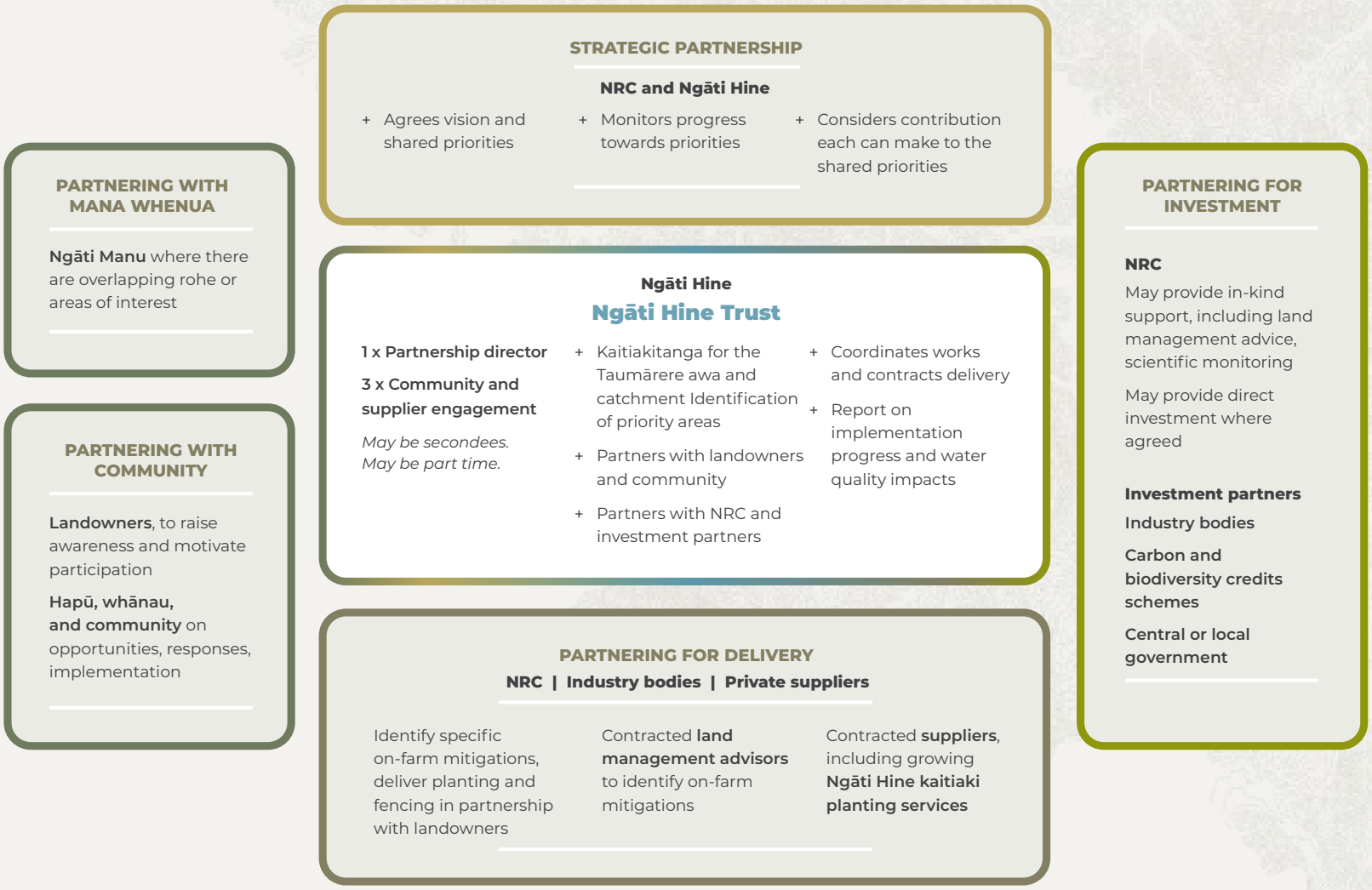
In designing the proposed partnership and delivery model, we have considered the following design principles, governance and management should:

+ recognise and build upon the strong foundation, including the partnership between NRC and Ngāti Hine
+ enable provision of the identified functions
+ avoid duplicating existing roles and responsibilities, and
+ provide certainty to investors and stakeholders.

Our proposed approach comprises:

+ **A clear anchoring strategic partnership between NRC and Ngāti Hine to sponsor the programme**, in line with NRC's commitments to its obligations under Te Tiriti o Waitangi, as given effect through the Mana Whakahono ā Rohe agreement.
+ **Delivery by Ngāti Hine, and in partnership with others where appropriate**, to enable Ngāti Hine to fulfil its kaitiaki responsibilities with Taumārere. This may include:
  + **Partnering with NRC** on specific activities, such as water quality monitoring, scientific advice and prioritisation, land management and farm plan delivery.
  + **Partnering with landowners** to raise the profile and the opportunity, and recognising the role that landowners need to play, including supporting co-funding for mitigations.
  + **Partnering with Iwi/hapu**, to leverage the opportunities and directly contribute through planting, fencing, and physical works.
  + **Partnering with third parties** to fund mitigations, invest in Taumārere, and motivate uptake from landowners.
  + **Partnering with other iwi/hapū**, where there are opportunities to support mitigations including within the Ngāti Manu rohe.

Figure 7: Indicative governance and management arrangements



We considered the options for connecting funders with landowners

There are three main options.

+ **Brokerage** – Where the coordination group helps connect landowners to different sources of funding. While no new structures would be required, this would be highly transactional as funders would need to engage with a wide range of potentially small-scale mitigations. This may hinder progress and lacks efficiency.
+ **Establishing a new trust**, to receive and disburse funding in line with the objectives of the governance group and under instruction from the coordination group.
+ **Building on existing structures** – Ngāti Hine has existing Trust structures, include those with expertise in environmental projects.

To provide certainty to funders, and ensure good governance of funding contributions and mitigations, we consider that a Trust model is likely to be appropriate, which can receive, hold, and disburse funding in line with agreed funding parameters.

Ngāti Hine will consider the appropriate form of any arrangement, including whether to use an existing Trust, or to create something new.

Regardless of which approach is taken, the Trust will play an anchoring role in receiving investment funding, and delivering mitigations, including:

+ hosting personnel or seconded staff from partners, including NRC and Ngāti Hine
+ receiving funding for undertaking mitigations, and
+ allocating that funding, either through contract to suppliers, or through direct delivery of planting and fencing activities in partnership with landowners.

Contractual arrangements would be established to ensure accountability and oversight of any funding provided to the Trust for the purposes of mitigation implementation.

This approach supports Ngāti Hine to fulfil kaitiaki functions within the catchment and grow Ngāti Hine capability and capacity to deliver the freshwater quality mitigations in partnership with NRC and landowners.

EXAMPLE: NGĀ TANGARIKI O NGĀTI HINE TRUST

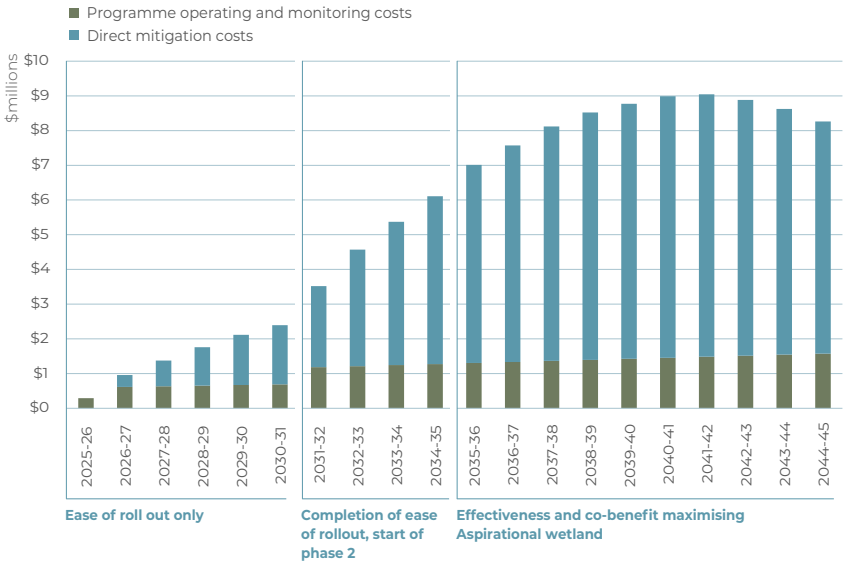
The vision of Nga Tangariki o Ngāti Hine Trust concerns the Nga Tangariki Education Strategy and the whakaaro, “Kia tu kaha ai a tatou uri puta noa te ao – our learners will stand with confidence anywhere in the world”. The objectives of the trust are:

+ To establish, promote and enhance educational and training programmes within Ngāti Hine and surrounding areas.
+ To establish, promote and enhance self-reliance and interdependence within Ngāti Hine and surrounding districts.
+ To promote, provide and support any activities which provide a general benefit to Ngāti Hine and surrounding districts.
+ The Trust supports a range of successful initiatives and partnerships including:
+ An award-winning project (partnering with DOC) to restore the Te Papa Paorooro Wetland (The Echoing Wetlands) through riparian planting, removal of invasive willows and other trees chocking flow paths, and predator control.
+ Partnering with commercial forestry to plant eco-sourced mānuka, kahikatea and karamū trees to help restore and enhance the forest alongside the Waiharakeke Stream.

Image top: Te Rerei Tiria
Image bottom: Pukatea

How to fund the programme

Figure 8: Anticipated costs over 20 years (nominal)



The programme lends itself to a phased funding approach

Total costs are estimated at $86.9m in 2025 dollars, which we anticipate spreading over 20 years. This includes:

+ $8.35m to deliver Scenario 1 over the first 9 years (2026-2035)
+ $61.2m to deliver Scenario 3 over 14 years, (2032-2045)
+ $17.4m for programme costs, including personnel, overheads, and monitoring.

In line with the proposed phased approach, we anticipate a shift in focus and scale after 5 years.

Total cost will depend on take-up

The total costs of the programme will be highly dependent on the extent of uptake from landowners, and will comprise:

+ Mitigation costs – Costs associated with delivering the final mix of mitigations, including the scale, specific location and complexity of implementing different mitigations.
+ Programme costs – Costs associated with overseeing the programme including programme management costs, and monitoring.

We have assumed that ongoing maintenance costs associated with the mitigations will be outside the scope of this programme, and will be the responsibility of landowners. Similarly, the programme is not intending to make any contribution towards landowners to reflect opportunity costs (or loss of productive land resulting from any mitigations).

We have assumed an implementation rate based on an adjusted 'rogers adoption curve', recognising that the programme is likely to require a greater 'ramp up' period to build engagement and buy-in with landowners. The distribution of costs over the 20-year life of the project is set out in Figure 7.

The mitigation costs have the potential to be shared including with new partners

We have estimated $69.5 m[59] associated with delivering mitigations over the life of the programme, including:

+ $1.47m for fencing and riparian planting
+ $35m for native afforestation
+ $8.15m for space planting, and
+ $24.9m for wetlands.

To estimate the costs associated with the package of mitigations, we have assumed that the programme will begin with Scenario 1 (Ease of Roll Out, focusing on space planting for the most highly erodible land, and fencing and planting riparian waterways where the potential reduction in E. coli is the greatest), and then shift to Scenario 3 (Effectiveness and Co-Benefit focus, with wider riparian mitigations and greater focus on native afforestation and wetland restoration)

59. Figures presented in real values - 2025 terms.

after approximately five years. We have assumed that 60% of Scenario 1 has been completed in the first five years.

This approach is designed to give us a broad sense of the potential financial costs associated over the life of the programme, recognising:

+ that the extent of mitigations undertaken will depend on the level of uptake from landowners
+ the desire from the governance group that this be an aspirational programme, and
+ a need to build trust and demonstrate the potential of the programme to both landowners and funders before extending into more intensive and impactful mitigations.

The exact mitigation mix is likely to differ based on landowner interest and engagement. While we have made assumptions on the mix over time the programme will respond to opportunities and the timing and extent of afforestation or wetland restoration may differ from what has been assumed.

In addition, choices on funding strategy will play an important role in the amount of funding required, including any landowner contribution or co-funding requirement towards mitigation costs.

Management costs can also be phased, and build on the existing relationship between NRC and Ngāti Hine

We have estimated $17.4m[60] associated with the management and delivery of the programme over 20 years, including:

+ $11.4m for FTE salaries
+ $5.7m for overheads, and
+ $0.28m for monitoring costs.

We have assumed the following management costs:

For the first five years:

+ A programme partnership director, responsible for overseeing and driving the programme.
+ Three community and supplier engagement advisors, responsible for working with landowners, community, and funding partners to identify opportunities and support on the ground implementation.
+ A provision to establish monitoring arrangements, including one new water quality monitoring site within Taumārere, at a location to be determined, and a comparator site at a relatively pristine site within the catchment to provide a baseline.

We have assumed that after five years the programme will shift into a second phase of more intensive delivery of mitigations with more dedicated partnerships focusing on wetland restoration and afforestation.

An enhanced programme office will be required, increasing to:

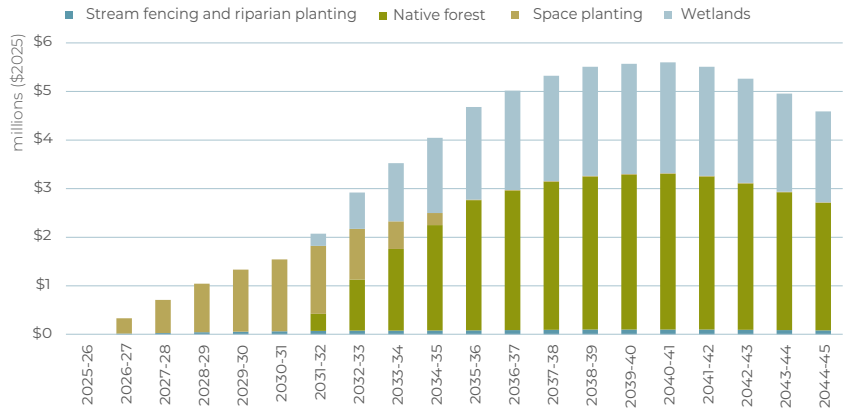
+ A programme partnership director.
+ Two partnership advisors, responsible for developing and maintaining specific sector partnerships, for example dairy, sheep and beef, or wetland restoration strategies.
+ Four community and supplier engagement advisors.

In general, we expect that staff will be seconded either from existing Ngāti Hine trusts, from NRC, or directly employed.

Costs for all roles have had a 1.5x multiplier applied to allow for associated overheads (including office space, office consumables, and travel costs).

Key assumptions underpinning the financial analysis are provided in Table 5: Detailed implementation costs per scenario in the Appendix.

Figure 9: Mitigation costs over 20 years ($2025)
Source: MartinJenkins financial model



60. Figures presented in real values - 2025 terms.

What will be needed

This section addresses whether the proposed approach is commercially viable. It focuses on how the suite of mitigations can be procured, and other considerations for their commercial viability to provide confidence to potential partners.

Delivery of the programme will require the procurement of materials, labour, and expertise

+ Trees and plants – Required for both riparian planting, afforestation and space planting. The types of trees and plants required varies based on the type of planting, soil, hillslope, and other factors.
+ Fences – Required for waterways and streams, with the type of fence and materials differing for sheep, beef, and dairy.
+ Planting and fencing labour – Skilled manual labour is required to install both plants and fencing.
+ Wetland establishment earthworks and engineering – Wetland establishment requires specialist expertise and labour to complete earthworks and planting.
+ Freshwater and catchment management expertise – Required to inform decisions on the optimal mitigations, this includes mātauranga Māori.
+ Stakeholder engagement capability – The programme will require strategic engagement with landowners, funders, the community, and other stakeholders. This requires skills in engagement and relationship management.
+ Programme administration and coordination – Capability is needed to support administration of funding and delivery of mitigations.
+ Programme governance capability – Programme governance requires skills in strategy, programme delivery, stakeholder engagement, te ao Māori, and freshwater catchment management.

Procurement principles ensure procurement aligns with programme objectives

The principles (on the right) are designed to ensure the procurement approach aligns with the broader objectives of Te Mana me te Mauri o te Wai, and that procurement reflects the programme context (grounded in local partnerships, etc).

PROCUREMENT PRINCIPLES:

+ achieve the best value for money
+ deliver through partnerships with landowners, the community, and other stakeholders
+ build local capacity and capability
+ allocate risk through use of appropriate procurement models
+ ensure quality assurance and oversight so stakeholders have confidence that funding is achieving programme objectives, and
+ achieve broader outcomes where possible, including co-benefits for local business, ecosystems, and the community.

There are various procurement options

Good and services can be procured through a variety of methods. Each method has strengths and limitations and offers different levels of risk allocation, control, funding, and resourcing. The likely procurement approach for each of the procurement requirements is outlined in the table below.

+ In-house – This would involve Ngāti Hine or NRC delivering activities using their own employees, contractors, and materials.
+ Contracted – This would involve Ngāti Hine or NRC contracting with suppliers of materials, skilled services, or labour.
+ Grant funded – This typically requires a specific project which the grant funding is allocated for.
+ Partnerships – This involves multiple parties working together to contribute funding and resources (for example, a landowner, NGO and Ngāti Hine working together on a single project).
+ Voluntary – This involves use of voluntary labour which can be used for planting through community initiatives or NGOs.

The market has the capability and capacity to deliver

Proactive engagement with nurseries is required to acquire trees and plants at scale

Initial feedback from the sector is that Northland has a well-established network of nurseries, covering both native and non-native plants, which have been supplying to the Kaipara Moana Remediation Programme.

There is not expected to be significant difficulty in sourcing the necessary trees; however, early planning and communication will help to ensure that supply is available.

Sourcing planting and fencing labour is an opportunity to grow local employment

Installing planting and fencing is labour intensive. The Taumārere catchment is relatively remote which may present difficulties in acquiring labour. There is potential to engage the community to support this through planting days and volunteers. There is also potential to develop local skills and support local employment.

Image: Kaitoki Stream

Image: planting day at Taikirau and on the banks of the Ramarama stream
Source: Ngāti Hine

DELIVERING WITH NGĀTI HINE

Ngāti Hine would like to play a critical role in delivering the programme with opportunities for it to support local business, skills development, and employment.

This includes through:

+ potential for establishing tree nurseries to supply planting, and
+ local employment opportunities and skills development in specialist freshwater catchment management, delivering mitigations, and programme governance and administration

Specialist freshwater and catchment management expertise can be accessed relatively easily

his specialist expertise is generally held by specialist professions – freshwater scientists and engineers, farm advisors and council officers. These skills can be sourced relatively easily via contracts with consulting firms and in-house from NRC.

These skills are also likely to be in increased demand through the implementation of the Freshwater Farm Plan programme, with the potential for that programme to usefully indicate both regulatory minimums as well as wider opportunities for investment.

Freshwater mātauranga and kaitiaki capabilities are also required but can be more difficult to access given the high specialisation. This is held within Ngāti Hine by kaitiaki rangers and can be accessed through several specialist firms.

There is likely to be low difficulty in accessing programme governance, administration, and coordination capability

These capabilities are typically more easily accessed given they are more generic. However, there are several features of the work programme that would benefit from more specialist capabilities.

This includes capabilities in te ao Māori, stakeholder management, and freshwater catchment management, along with knowledge of the local area and stakeholders.

Mitigations need to be delivered in partnership with landowners

As most of the mitigations will need to be installed on private land, landowner agreement will be required.

The approach will need to recognise the role of landowners in supporting the mitigations and recognise the impact on landowners on undertaking additional work. As such, we plan to structure the programme so that direct funding and subsidies are available to incentivise the targeted implementation of mitigation on their land, recognising the impacts of their activity and the wider benefits.

This will require an effective landowner outreach and engagement programme and understanding of the commercial implications of installing the mitigation. These implications may include loss of productive land, but also commercial opportunities including carbon credits, avoidance of stock loss, and meeting criteria for processor incentive payments.

The programme will be driven by partnerships across a range of parties

The table below identifies a range of potential funding partners for this programme of work, and potential funding streams. Funding will need to be sought on a case-by-case basis, dependent on each fund's specific criteria and requirements.

Table 4: Potential partnerships and funding sources

POTENTIAL PARTNER	ROLE AND INTERESTS	POTENTIAL CONTRIBUTION	FUNDING APPROACH(ES)
Northland Regional Council	NRC has a primary role in improving water quality through regulation, science/monitoring, resourcing support and funding.	Providing advice, resourcing and funding for the programme and mitigations. Water quality monitoring. Supporting freshwater farm plan development and implementation.	Funds, grants, in-kind contributions.
Ngāti Hine	Ngāti Hine have strong interests in water quality as mana i te whenua with kaitiaki responsibilities, and through commercial interests as landowners, including sites for mitigation.	Providing resourcing and funding for the programme and mitigations, and kaitiakitanga.	Direct contributions and resourcing support.
Landowners	Landowners are typically seeking to maximise the productive use of the land but can have interests in improving water quality where there are commercial incentives or for general sustainability reasons.	On-farm contributions including through funding, part-funding, or resourcing mitigations.	Direct contributions and resourcing support.
Industry bodies	DairyNZ is a levy-funded industry good body that works toward a positive future for New Zealand dairy farming; Beef and Lamb is a levy funded industry good body. Both organisations are committed to improving water quality.	Potential partnerships and research to support the programme. Often to trial new initiatives or tools (for example, DairyNZ partnered with a catchment group to plant Whakauru Stream in Tokoroa, and Fonterra & DOC partnered to improve mauri of Wairua River catchment in the Kaipara – https://www.livingwater.net.nz)	Resourcing support.

OTHER MONETARY FUNDING SOURCES

POTENTIAL PARTNER AND FUND/PROCESS	DESCRIPTION AND ALIGNMENT	ADDITIONAL INFORMATION
Central Government has a role in improving water quality through both regulation and funding - Potential funding for the programme and mitigations where this aligns with central government priorities and programmes. This may include compliance with freshwater farm plans and updated National Policy Statement for Freshwater Management, local catchment groups and regional infrastructure.		
Ministry for the Environment (MfE) – Freshwater Improvement Fund (FIF)	Supports projects improving the management of freshwater bodies; often used for restoration and catchment-based initiatives. The proposed remediation programme closely aligns with the fund's requirements.	The third round - part of the Government's COVID-19 recovery response - offered $30 million in funding and closed in June 2025 . No information has been released regarding a potential fourth round.
Ministry for Primary Industries (MPI) - Hill Country Erosion Fund (HCEF)	The fund is allocated to NRC to assist in reducing erosion in the region. The fund is available for land retirement fencing and/or planting natives on erosion-prone land . Poplars and willows for erosion control are also included. The fund's requirements may only be met by proposed remediations in highly erodible grazed land.	Current programme: 2023-2027. Total funding overview: + HCE Grant: $1.90 million + Total Budget: $5.36 million
Department of Conservation (DOC) – Community Fund - Pūtea Tautiaki Hapori	Supports community-led conservation projects on public and private land. The fund's requirements may only be met by proposed remediations which are likely to protect and restore threatened species and ecosystems in Taumārere – such as wetlands and native afforestation.	Applications for the 2024/25 fund are currently closed. The 2025 average grant was $450,000. No information has been released regarding 2025/26 applications.
Environmental NGOs and philanthropic trusts are interested in improving environmental outcomes - Potential for funding programmes and grants, and providing research and resources (list is indicative)		
Tindall Foundation	It may support projects to improve water quality under the environment focus area. The remediation programme closely aligns with the donor's priorities of long-term sustainability and indigenous led initiatives.	Donations typically range from $1,000 to over $300,000.
Northland Community Foundation	Environment is one of the priority areas that can receive for funding from the foundation. To be eligible, applicants must be in Te Tai Tokerau or deliver services in the region. The proposed remediation programme closely aligns with the fund's requirements	It's a local funding manager for The Tindall Foundation for Northland. It also distributes funds from the Northland Fund, the Northern Wairoa Fund and the Community Self-Help Fund. Approximately $90,000 is allocated annually. 2025 applications open on the 8th of June.

OTHER MONETARY FUNDING SOURCES

POTENTIAL PARTNER AND FUND/PROCESS	DESCRIPTION AND ALIGNMENT	ADDITIONAL INFORMATION
Whakatupu Foundation	A private philanthropic trust that invests strategically in environmental and social initiatives to drive change in Aotearoa. The proposed mitigations are likely to meet the funding criteria given that they support the foundation's goal of tackling environmental degradation.	Applications for funding are by invitation only.
Foundation North	Provides support for innovation and collaboration in areas such as social change, environmental restoration and cultural heritage. To be eligible under the environment regeneration approach, a project must result in the renewal and regeneration of ecosystems and communities, as well as acknowledge Mātauranga Māori. The proposed activities and programme are aligned with these criteria.	The trust prioritises applications for projects led by Tangata whenua. Eligible projects are those with the primary aim of benefiting the community, not generating private profit or commercial gain. Grants available range from $25,000 to $100,000. Applications for the Te Māhuri o te Taiao fund close in August 2025.
Guardians of the Sea Charitable Trust	Funds projects that promote healthy fisheries for the benefit of all New Zealanders. This includes protection and restoration projects. The proposed remediation may broadly align with the trust criteria as its implementation helps protect, preserve and enhance the region's fisheries and marine environment.	To be eligible, alignment with one or more of their marine conservation objectives needs to be demonstrated. Information about the amount is not available.
Lottery Environment and Heritage Fund - Te Tahua Taiao Ngā Taonga	Grants are available for projects that will help protect, conserve or care for our natural, cultural and physical heritage. Māori-led environmental protection initiatives may obtain priority for additional funding. The proposed remediation programme closely aligns with the fund's requirements.	Applications for environment-focused projects are "always open". Organisations receiving grants are expected to demonstrate how their projects will benefit the community. If the total project cost is over $250,000, additional criteria are required . About $12 million has been allocated in 2025 to environment and heritage category projects .
Trees that count - Project Crimson Trust	Supports projects that provide long-term benefits to the local environment. It focuses on supporting environmental projects related to native tree planting and restoration. The fund's requirements may only be met by proposed remediations that involve planting native vegetation.	The fund runs annually and closes on 1 May each year. Actions on private land, while considered, are less favoured unless the owner has agreed to an on-going conservation management programme . Information about the amount is not available.
The Trusts Community Foundation limited	Distributes the profits generated from Class 4 gambling machines. It funds community-based projects and activities. Projects that are beneficial to the community and environment are covered. The proposed remediation programme aligns with the fund's requirements.	About $14 million in grants are available for projects including conservation and restoration projects . Applications are open year-round.

OTHER MONETARY FUNDING SOURCES

POTENTIAL PARTNER AND FUND/PROCESS	DESCRIPTION AND ALIGNMENT	ADDITIONAL INFORMATION
Primary industry companies that purchase goods from Taumārere may have interests in addressing water quality impacts or achieving general sustainability in their supply chain (for example, Fonterra, SilverFern Farms, and Sinlait) - Potential incentives for environmental incentive payments and resourcing support to help land users implement practices that improve water quality.		
Fonterra	Sustainable Dairying Advisors work with Fonterra farmers to develop tailored Farm Environment Plans. There is also potential for grants with Fonterra funding 10x $25,000 grants for three years starting in 2025 for wetland restoration. The fund's requirements may only be met by the restoration that involves wetland restoration.	This funding only available for wetlands restoration projects.
Investors and banks may provide finance where there is a profit incentive, including through carbon farming, or green loans (loans at special rates for sustainable projects).		
Ministry for the Environment (MfE) - Voluntary nature credits	The government is seeking to formalise the biodiversity credits market. This initiative aims to create income opportunities for farmers and other landowners who actively manage and preserve natural resources on their properties by connecting them with investors interested in supporting nature conservation projects . While policy work is currently in its initial phases, Taumārere may be able to access nature-related investment if the scheme moves forward.	Privately funded projects are underway to inform future policy and the government's market role. If the market starts operating in New Zealand, eligible projects will likely need to demonstrate: + clear benefits that would not otherwise be possible without intervention + a clear funding need coupled with a lack of available funding from typical revenue sources + effective benefit monitoring and public reporting + strong project governance and assurance arrangements Funding would likely be provided after the project is established, meaning up-front project costs either needs to be grant funded via public/private capital raising or debt funded.
Banking sector green loan mechanisms	Some banks provide finance to support land use change that improves water quality, such as afforestation or planting. The project usually need to demonstrate clear environmental outcomes.	Terms and conditions and include low interest loans

Implementation plan and next steps

Establish vehicle

Establish the structures to support the delivery of the programme, including:

+ establishing any trust to hold and disperse funding
+ confirming governance arrangements
+ appointing/seconding management and delivery team
+ developing funding criteria, and
+ establishing landowner advisory group.

Raise awareness

Engage with key stakeholders, iwi partners, landowners, government, and potential funders.

Work with landowners on freshwater impacts and opportunities.

Work with key suppliers and providers to understand capacity and partnership potential.

Work with community to understand priorities.

Seek funding partners

Identify priority investments and delivery plan.

Agree priorities between NRC, Ngāti Hine, and landowner representatives.

Seek funding partners for specific investments.

Match investors to landowners to undertake targeted works.

Deliver priority investments

Deliver initial suite of investments, likely focused on riparian planting and fencing.

Establish community planting groups.

Establish Ngāti Hine kaitiaki functions.

Monitor and review

Monitor implementation of delivery plan.

Monitor water quality and ecosystem health.

Prepare next investment priorities.

Develop partnership priorities, including potential wetlands and afforestation strategies.

APPENDIX

Financial model assumptions

LEVEL OF CERTAINTY OF COST ESTIMATES

The primary source for estimating the costs of implementing various mitigation measures under different scenarios was the medium-cost scenario from NRC's 2022 report, A Costing Analysis of the NIWA Water Quality Mitigation Scenarios for Northland.

Most costs were adjusted to reflect 2025 price levels using the Farm Expenses Price Index (FEPI). Where applicable, costs were updated using the most recent data, following the methodology outlined in NRC's report.

In cases where data was unavailable, assumptions were made and supplemented with values from the 2023 report A Costing of the Options to Support the Draft Freshwater Plan Change. Final cost estimates were reviewed by NRC economists.

While these costs may vary over time due to changes in material prices, wages, and other related factors, the range of scenarios tested suggests that the proposed cost estimates are sufficiently accurate for planning purposes and reflect the appropriate order of magnitude.

PROGRAMME MANAGEMENT AND MONITORING COSTS

+ The personnel cost assumes a modest outlay in the first six months (end of 2025–start of 2026) to reflect initial establishment costs, mainly comprising – salaries for initial key hires and related overhead costs.
+ The bottom-up analysis has identified approximately how many staff will be needed to implement the programme, with a shift from phase one to phase 2. These roles are described on page 71. Final staff costs may vary depending on the needs of the programme and complexity associated with sourcing and disbursing funding.
+ Wage costs presented in nominal terms were adjusted to reflect a 3% inflation rate.
+ Monitoring costs were estimated based on an estimate from NRC for the lab costs and staff costs associated with delivering the three sets of tests below. These were taken together to provide an estimate of $15,000 per year.
    + Monthly river water quality test at one site
    + Annual fish survey
    + Annual macro-invertebrates survey.

REMEDIATION ACTIVITIES

+ Riparian fencing implementation and maintenance costs per hectare were estimated based on land use and slope type, taking into account the required wire specifications and variations in associated costs. The implementation cost considered include material, labour and site preparation.
+ Cost modelling assumed that water reticulation is always necessary when livestock are excluded through stream fencing.
+ Riparian planting implementation costs per hectare include expenses for plants, labour, and site preparation. This assumed a mix of native species planted at 1.5 metre spacing. The cost for a 3-meter buffer implementation, maintenance and replacement were derived by adjusting figures from NRC's 2022 report for FEPI. A linear cost growth was then applied to estimate expenses for 5-meter and 10-meter buffers.
+ Implementation, releasing, and stock exclusion costs per hectare for native afforestation were sourced from NRC, based on updated values from the 2022 report. The costs provided are generally higher than those presented in the report.
+ Fencing implementation costs, in particular, are a significant cost driver for native afforestation. Opportunities to reduce these costs will have a significant impact on the overall costs of the programme.
+ Fencing requirements for space planting were assumed to be:
    + 50% temporary fences, with costs drawn from the National Stock Exclusion Study[61] by the Ministry for Primary Industries and the Ministry for the Environment, and adjusted to 2025 price levels.
    + 50% permanent fences, with costs sourced from the permanent forest fencing costs provided by NRC. These costs could be reduced significantly if temporary fencing were feasible in more areas or if fencing were not required in certain locations.
    + Fencing maintenance costs are assumed to last three years while livestock is excluded so that trees grow above grazing height. For permanent fences, permanent fencing maintenance costs were applied, while for temporary fencing, maintenance was estimated at 10% of the implementation cost.

61. National Stock Exclusion Study: Analysis of the costs and benefits of excluding stock from New Zealand waterways

APPENDIX

+ Wetland costs per hectare were derived from NRC's 2022 report. Implementation costs include construction and planting expenses and assume a mix of constructed and facilitated wetlands, with a 20/80 ratio respectively.
+ Opportunity costs for all mitigations were estimated using lost operating profit by land use and slope type. Dairy values were based on DairyNZ's 2020–2023 average profit per hectare, while sheep and beef figures used Beef+Lamb NZ's 2022–2024 averages.
+ For dairy farming, it is assumed that operating profit per hectare is 60% of the average all slope classes on upland slopes and 115% on lowland areas.
+ The opportunity cost of riparian planting is estimated by assuming a 50% reduction in operating profit compared to the average for the corresponding land use and slope type.
+ To estimate the opportunity cost per hectare of native afforestation, a 50% reduction in the average operating profit for North Island Hard Hill Country (Northland–Waikato–BoP) was assumed, reflecting the lower productivity of highly erodible land compared to other effectively farmed areas. A 40% was assumed to estimate opportunity cost of space planting.
+ Following the 2022 report approach, a 50% reduction in farm productivity per land and slope type was used to calculate the opportunity cost of wetlands per hectare.

Table 5: Detailed implementation costs per scenario

Mitigation	Cost	Ease of roll out	Balanced approach	Effectiveness and co-benefit maximising	Maximum aspiration
Stream fencing and riparian planting	Fencing implementation	$164.8	$612.4	$612.4	$2,290.7
	Riparian planting implementation	$47.6	$314.6	$314.6	$2,172.2
	Water reticulation construction	$143.4	$568.9	$568.9	$1,963.8
	Total capital costs	**$355.8**	**$1,495.8**	**$1,495.8**	**$6,426.7**
Native forest	Land preparation	$0.0	$1,736.2	$2,466.5	$3,113.1
	Tree costs	$0.0	$8,680.8	$12,332.7	$15,565.6
	Planting costs	$0.0	$4,960.5	$7,047.3	$8,894.6
	One-off Fencing capital costs	$0.0	$9,259.5	$13,154.9	$16,603.3
	Total capital costs	**$0.0**	**$24,637.0**	**$35,001.5**	**$44,176.6**
Space planting	Land preparation	$162.8	$47.1	$3.2	$0.0
	Tree costs	$535.0	$154.7	$10.5	$0.0
	Planting costs	$465.3	$134.6	$9.1	$0.0
	One-off Fencing capital costs	$6,828.5	$1,974.9	$133.9	$0.0
	Total capital costs	**$7,991.6**	**$2,311.3**	**$156.7**	**$0.0**
Wetlands	Wetland implementation	$0.0	$7,024.5	$23,770.3	$23,770.3
	Stock exclusion implementation	$0.0	$363.3	$1,159.9	$1,159.9
	Total capital costs	**$0.0**	**$7,387.8**	**$24,930.3**	**$24,930.3**
Estimated cost by scenario		**8,347**	**35,832**	**61,584**	**75,534**

Taumārere: Giving effect to te Mana me te Mauri o te Wai
A Blueprint for Māori-led Regeneration of the Taumārere Catchment
Northland REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau
Ngāti Hine
Puke Puke Rau

TITLE: Riskpool: Update to Trust Deed

From: Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 28 August 2025

Executive summary/Whakarāpopototanga

The Trust Deed governing the Riskpool Scheme is undergoing review. Legal advisors Webb Henderson conducted a review and identified deficiencies needing correction to align with best practice. It is recommended that council notes the proposed Deed of Amendment and Reinstatement (**attachment 2**) and proposed Amended Trust Deed (**attachment 3**), governing the Riskpool Scheme, and authorises the Chief Executive Officer to sign and return the Consent to Trust Deed Amendments form (**attachment 1**).

Recommendations:

1. That the report 'Riskpool: Update to Trust Deed' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 28 August 2025, be received.
2. That council notes the proposed Deed of Amendment and Reinstatement (**attachment 2**) and proposed Amended Trust Deed (**attachment 3**), governing the Riskpool Scheme, and authorises the Chief Executive Officer to sign and return the Consent to Trust Deed Amendments form (**attachment 1**).

Options

No.	Option	Advantages	Disadvantages
1	Authorise the Chief Executive Officer to sign and return the Consent to Trust Deed Amendments form.	Councils support will assist with potentially meeting the 90% of Members consenting to changes threshold, which if met will enable the proposed changes to be made to bring the Trust Deed into line with best practise.	No disadvantages identified.
2	Do not authorise the Chief Executive Officer to sign and return the Consent to Trust Deed Amendments form.	No advantages identified.	Council does not assist with meeting the 90% of Members consenting to changes threshold, which may risk that the Trust Deed is not brought into line with best practise.

The staff's recommended option is option 1.

Considerations

1. **Climate Impact**

   There are no climate impacts associated with this decision.

2. **Environmental Impact**

   There are no environmental impacts associated with this decision.

3. **Community views**

   Community views are unknown; however, this decision is unlikely to have any material impacts on the community as it seeks council approval to support the proposed amendments to the Trust Deed to bring this into line with best practice.

4. **Māori impact statement**

   Impacts on Māori resulting from this decision are no different to that of the community.

5. **Financial implications**

   There are no financial implications associated with this decision.

6. **Implementation issues**

   The proposed Trust Deed amendments require written consent from at least 90% of Members (per Clause 17.1 of the Trust Deed), with a deadline for consent of 30 September 2025.

7. **Significance and engagement**

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

8. **Policy, risk management and legislative compliance**

   The proposed amendments do not alter NRC’s financial contributions or create new obligations. The practical effect of the amendments will be to reduce governance risk, ensure compliance with best practice, and provide the Board with adequate protections and safeguards when acting in the best interests of NRC and other Members, in resolving legacy claims and winding down the Scheme.

Background/Tuhinga

Northland Regional Council was previously a member of the New Zealand Mutual Liability Riskpool scheme (‘Riskpool’). The Scheme is in wind down, however council has an ongoing obligation to contribute to the Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme.

The Trust Deed governing the Riskpool Scheme, originally dated 1997 and amended in 2007, is undergoing review. Legal advisors Webb Henderson conducted a review and identified deficiencies needing correction to align with best practice.

As summarised in the Riskpool letter dated 21 August 2025 (**attachment 1**), and as per the Deed of Amendment and Restatement (**attachment 2**) and a marked-up version of the Trust Deed (**attachment 3**), the key proposed amendments to the Trust Deed include:

Clarification of Duties (Clause 6):

- Duties are clarified to be owed by LGMFT (Local Government Mutual Funds Trustee Ltd), not the Board.

Distribution of Surplus Funds (Clauses 6.13 and 6.14):

- Trustee's ability to distribute surplus funds to Members is made explicit.

Scheme Manager Role (Clause 9):

- Confirms the role has passed to Civic Financial Services Ltd (formerly New Zealand Local Government Insurance Corporation Limited).

Indemnification and Liability Protections (Clause 13):

- Provides better protections for LGMFT and the Board, aligning with common law and commercial trust arrangements.

Minor Drafting Corrections:

- Ensures consistent use of defined terms and fixes minor drafting issues.

Attachments/Ngā tapirihanga

Attachment 1: Letter from Riskpool ⇩

Attachment 2: Draft Deed of amendment and restatement of Trust Deed ⇩

Attachment 3: Riskpool Trust Deed - proposed amendments in mark up ⇩

Riskpool
NEW ZEALAND MUTUAL
LIABILITY RISKPOOL

21 August 2025

Jono Gibbard
Northland Regional Council
Private Bag 752
KAIKOHE 440

jong@nrc.govt.nz

Dear Jono

RISKPOOL: UPDATE TO TRUST DEED

As indicated in our letters of 26 May and 24 July, we write in relation to proposed amendments to the trust deed governing the Riskpool Scheme (**Trust Deed**).

The Trust Deed dates from 1997, with further amendments having been made in 2007. As part of its ongoing governance review, the Board of Local Government Mutual Funds Trustee Limited (**LGMFT**) engaged Webb Henderson, legal and regulatory advisors, to conduct a 'hygiene check' of the Scheme and its governing documents. That review identified a number of deficiencies in the current Trust Deed which require correction to bring the governance framework into line with best practice.

Accompanying this letter are drafts of:

- the proposed deed of amendment and restatement of the existing Trust Deed (**Deed of Amendment and Restatement**); and
- a copy of the Trust Deed marked up to show the changes which would be affected by the Deed of Amendment and Restatement (**Amended Deed**).

In summary, the proposed changes:

- Clarify the duties owed under clause 6 of the Trust Deed. The amendments make clear that these duties are owed by LGMFT, rather than by the Board. It appears that has always been the intention of the drafting given that the Board is not a party to the Trust Deed. The Board would of course still be mindful of them and will continue to seek to cause LGMFT to give effect to them.
- Clarify that the Trustee can distribute surplus funds to Members. This is implicit at present but as the Scheme pursues reinsurance recoveries it is appropriate to put the point beyond any doubt. See clauses 6.13 and 6.14 of the Amended Deed.

- Clarify that the role of the Scheme Manager under clause 9 of the Trust Deed passed to Civic Financial Services Limited, formerly known as New Zealand Local Government Insurance Corporation Limited (LGIC).

- Properly provide for indemnification and limitation of liability of LGMFT, as trustee, and the Board. The Trust Deed, as currently drafted, provides insufficient protections to LGMFT and the Board when compared to the position at common law and in typical commercial trust arrangements. The Board considers that this is an oversight which, in the interests of the Scheme and Members, should be addressed. See clause 13 of the Amended Deed.

- Ensure consistent use of defined terms and correct other minor drafting issues.

Consent procedure

In accordance with clause 17.1 of the Trust Deed, the amendment and restatement of the Deed of Trust is conditional on not less than 90% of Members consenting in writing to the changes. We encourage all members to engage with the process of amendment and will be happy to arrange one-on-one sessions and virtual briefings with members to explain the proposed amendments.

If the amendments proposed by the Deed of Amendment and Restatement are acceptable to you, please sign the attached consent and return it to us at your earliest convenience, and no later than **30 September 2025**.

If you have any questions or would like to discuss any of the matters outlined above, please don't hesitate to contact me at: stephen.ferson@riskpool.org.nz

Ngā mihi

Stephen Ferson
General Counsel
Local Government Mutual Funds Trustee Ltd (Riskpool)

CONSENT TO TRUST DEED AMENDMENTS

Northland Regional Council, a local authority within the meaning of the Local Government Act 2002, in its capacity as a Member of the Scheme (and having received such advice, if any, as it has considered appropriate in the circumstances), hereby irrevocably consents to the amendments to the deed of trust dated 1 July 1997 and as varied pursuant to a Deed of Variation of Deed of Trust dated 22 July 2007 between Civic Financial Services Limited (previously named New Zealand Local Government Insurance Corporation Limited) and Local Government Mutual Funds Trustee Company Limited (**Trust Deed**) as proposed in the draft Deed of Amendment and Restatement of Trust Deed relating to the New Zealand Mutual Liability Riskpool circulated under cover of the letter from Stephen Ferson, General Counsel of Riskpool, dated 21 August 2025.

The terms "Member" and "Scheme" shall have the same meaning in this Consent as in the Trust Deed.

Dated:

SIGNED for and on behalf of
Northland Regional Council by:

_____
Authorised Signatory

Deed of Amendment and Restatement

DEED dated 2025

Parties

1. **Civic Financial Services Limited** (formerly known as New Zealand Local Government Insurance Corporation Limited) (**Civic**)

2. **Local Government Mutual Funds Trustee Limited** (**LGMFT**)

Background

A. On 1 July 1997, the parties entered into a Deed of Trust (as varied by Deed of Variation dated 22 June 2007) (**Deed of Trust**).

B. The parties now wish to amend and restate the Deed of Trust, on the terms set out in this deed.

C. The amendments to the Deed of Trust are in the interests of Members, and (in accordance with, and for the purposes of clause 17.1 of the Deed of Trust) the consent of Members will be sought in respect of them.

The parties agree as follows:

1. Interpretation

1.1 **In this Deed:**

(a) **Effective Date** means the date on which the consent (pursuant to clause 17.1 of the Deed of Trust) of the requisite number of Members is received in writing, in accordance with clause 2 of this deed;

(b) **Deed of Trust** has the meaning given to it in the Background;

(c) **Revised Deed** means the deed set out in the Appendix of this deed;

(d) capitalised terms that are not defined in this deed have the meaning given to them in the Revised Deed; and

(e) headings are to be ignored in construing this deed.

2. Condition

In accordance with clause 17.1 of the Deed of Trust, the amendment and restatement of the Deed of Trust pursuant to this deed is conditional on not less than 90% of Members consenting in writing to the changes shown as marked up in the version of the Revised Deed attached as the Appendix to this deed.

3. Amendment

3.1 **Amendment and restatement**

Subject to clause 2, with effect on and from the Effective Date, the Deed of Trust is amended and restated in the form of the deed set out in the Appendix. Except to the extent amended by this deed, the Deed of Trust continues in full force and effect.

3.2 **Confirmation**

(a) Each party acknowledges and confirms that on and from the Effective Date, the parties shall have the benefit of the Revised Deed in accordance with its terms and are bound by the terms of the Revised Deed and have the obligations set out in it.

(b) The parties:

(i) acknowledge that, in the period prior to the Effective Date, the references in clause 6 of the Deed of Trust to duties, responsibilities, discretions, and powers of the "Board" were intended by the parties to mean (and have been understood and applied as being) duties, responsibilities, discretions, and powers of the Trustee Company, acting by and through the instrumentality of the Board; and

(ii) agree and confirm that, as a result, the amendments to that clause 6 as set out in the Revised Deed are consistent with that intent and understanding.

4. General

4.1 **Further assurance**

Each party shall take all steps, execute all documents and do or procure all other acts and things reasonably required to give effect to this deed according to its true intent.

4.2 **Entire agreement**

This deed records the entire agreement between the parties concerning the amendment and restatement of the Deed of Trust.

4.3 **Counterparts**

This deed may be executed in any number of counterparts (including electronically scanned copies) all of which, when taken together, will constitute one and the same instrument. A party may enter into this deed by executing any counterpart.

4.4 **Deed binding and delivered**

For the purposes of Section 9 of the Property Law Act 2007, this deed:

(a) is intended to be immediately and unconditionally binding upon each party to be bound by it when that party executes this deed; and

(b) without limiting any other mode of delivery, will be delivered by each of the parties immediately on execution and exchange of this deed in accordance with clause 4.3.

4.5 **Governing Law**

This deed is governed by the laws of New Zealand and each party irrevocably and unconditionally:

(a) submits to the non-exclusive jurisdiction of the courts of New Zealand; and

(b) waives any right to object to any proceedings being brought in, or transferred to, those courts.

Executed as a Deed

Signed for **LOCAL GOVERNMENT MUTUAL FUNDS TRUSTEE LIMITED** by:

Signature of director	Signature of director
Name of director	Name of director

Signed for **CIVIC FINANCIAL SERVICES LIMITED** by:

Signature of director	Signature of director
Name of director	Name of director

DATED 1997

NEW ZEALAND LOCAL GOVERNMENT INSURANCE CORPORATION LIMITED

("LGIC")

AND

LOCAL GOVERNMENT MUTUAL FUNDS TRUSTEE COMPANY LIMITED

("Trustee Company")

DEED OF TRUST

THIS DEED OF TRUST made the 1st day of July 1997

PARTIES

CIVIC FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS NEW ZEALAND LOCAL GOVERNMENT INSURANCE CORPORATION LIMITED ~~at Wellington~~) ("**LGIC**")

LOCAL GOVERNMENT MUTUAL FUNDS TRUSTEE COMPANY LIMITED ("**Trustee Company**")

BACKGROUND

A. LGIC is a Local Authority Trading Enterprise as that term is defined in the Local Government Act 1974.

B. Trustee Company is a company incorporated under the Companies Act 1993 and is a wholly owned subsidiary of LGIC.

C. LGIC, in consultation with Jardine, has agreed to establish a Trust pursuant to this deed to provide the Fund and the Scheme (to be known as the New Zealand Mutual Liability Riskpool) for the benefit of the Members of the Scheme and to manage all Claims for Civil Liabilities against the Members of the Scheme which may arise in connection with the exercise by the Members of any of their powers, duties or functions.

D. The purpose for establishing this Trust in consultation with Members is to benefit residents and ratepayers of New Zealand and in particular that purpose is to be achieved by enabling Members to be recompensed from the Fund in respect of liabilities thus reducing the need for insurance cover and reducing Members' annual expenses. In addition the Scheme Manager will work with Members to ensure that proper systems are developed to promote the efficient and safe fulfilment of each Member's functions thus providing a benefit to the community as a whole.

E. LGIC has agreed to hold all the shares in Trustee Company on trust for the Members of the Scheme pursuant to this deed.

F. Trustee Company has agreed to act as Trustee of the Scheme and to hold and apply the Fund in accordance with this deed and the other Scheme Documents so as to provide the benefits intended to be obtained by Members of the Scheme as envisaged by this deed and the other Scheme Documents.

THIS DEED WITNESSES:

1. Interpretation

1.1. In this deed unless the context clearly requires otherwise:

"**Act**" means the Companies Act 1993.

"**Additional Contribution**" means any additional or further contribution to an Annual Fund by a Member, after the initial Contribution to that Annual Fund, called for or demanded by the Board pursuant to this deed and the Scheme Rules.

"**Annual Fund**" means the separate fund established, pursuant to the Scheme Documents, for each Fund Year of the Scheme.

"**Board**" means the directors of Trustee Company who number not less than the quorum required pursuant to the Constitution acting together as a board of directors.

"**Call**" means each call or demand for an Additional Contribution.

"**Civil Liability**" means any civil liability resulting from an obligation, function, power or duty of a Member arising under law and includes any public liability and any liability for negligence of the Member.

"**Claim**" means any claim by a Member in respect of that Member's Civil Liability during the term of the Scheme in respect of the Risks.

"**Constitution"** means the constitution of Trustee Company as may be varied, or substituted from time to time.

"**Contribution**" includes each Member's initial contribution to each Annual Fund as determined by the Board, pursuant to clause 11 and each Additional Contribution.

"**Deed of Participation**" means the deed of participation required to be entered into by each Member pursuant to clause 16.

"**Fund**" means all assets and property of the Scheme and includes each separate Annual Fund.

"**Fund Manager**" means the manager of the Fund pursuant to clause 10.

"**Fund Year**" means the year commencing 4.00pm on 30th June in each year and terminating 4.00pm on 30th June in the next following year, or as otherwise determined by the Board.

"**Guidelines for Exercise of Discretion**" or "**Guidelines**" means the guidelines from time to time set out by the Board as detailed in clause 8.1.

"**Indemnity Cover**" means insurance cover purchased by the Board on behalf of Members to meet the Claims of the Members in the amount and in respect of the Risks determined from time to time by the Board being amounts payable in excess of the pooled cover.

"**Jardine**" means Jardine Risk Consultants Limited.

"**Local Authority**" means a local authority pursuant to the Local Government Act 1974.

"**Member**" means any person or body (whether incorporated or not) admitted as a Member to the Scheme pursuant to the Scheme Documents.

"**Pooled Cover**" means cover provided from the Fund to manage and, if the Claims are accepted by the Board, settle or pay the Claims against the Members in respect of the Risks.

"**Risks**" means those risks of Civil Liability of each Member and which fall within the Guidelines for Exercise of Discretion for the relevant Fund Year.

"**Scheme**" means the scheme, to be known as the New Zealand Mutual Liability Riskpool, constituted by this deed and the other Scheme Documents.

"**Scheme Documents**" means this deed, the Scheme Rules, and the Constitution of Trustee Company and for each Member, its Deed of Participation and the Guidelines.

"**Scheme Manager**" means the manager of the Scheme appointed from time to time pursuant to clause 9.

"**Scheme Manager's Quantum**" shall mean $30,000 inclusive of self retained limit or such other amount as shall from time to time be fixed by the Board.

"**Scheme Rules**" means the rules of the Scheme as promulgated by the Board from time to time.

"**Scheme Solicitor**" means the solicitor appointed from time to time by the Board.

"**Self Retained Limit**" means the deductible or excess to be borne by each Member in respect of its Risks and Claims against it as provided in the Guidelines.

"**Shares**" means the shares in Trustee Company.

"**Underlying Claim**" means any claim for civil liability (covered for the time being under the Guidelines) made against a Member which may give rise to a Liability; but also includes a claim which may give rise to a Liability to a Member under any other category of risk to that Member which the Guidelines of the Scheme may properly have been extended to cover pursuant to the terms of this deed.

1.2. In this deed, unless the context clearly otherwise requires:

1.2.1. Words importing the singular shall include the plural and vice versa;

1.2.2. References to any legislation shall include references to all amendments to that legislation and to any legislation passed in substitution for it (in whole or in part);

1.2.3. References to "director" or "directors" shall be to a director, or directors, of Trustee Company, acting in their capacity as such; and;

1.2.4. References to persons shall be deemed to include references to individuals, companies, corporations, firms, partnerships, joint ventures, associations, organisations, trusts, states or agencies of state, government departments and local and municipal authorities in each case whether or not having separate legal personality.

2. Constitution of the Scheme

2.1. A scheme is hereby established by LGIC and Jardine for the benefit of Members of the Scheme with the objects set out in clause 2.4. The name of the Scheme shall be the New Zealand Mutual Liability Riskpool.

2.2. The parties agree that Trustee Company shall act as the Trustee of the Scheme established under this deed and shall be responsible to ensure that the purposes of the Scheme as provided by this deed and the other Scheme Documents are carried into effect.

2.3. The Fund of the Scheme shall include all assets and property for the time being held by or on behalf of Trustee Company, derived from:

2.3.1. Contributions;

2.3.2. Additional Contributions;

2.3.3. Any gifts, donations or grants;

2.3.4. Revenue from investments;

2.3.5. Proceeds of realisation of investments;

2.3.6. Any policies or contracts of re-insurance or indemnity;

2.3.7. Any recoveries;

2.3.8. Any other source.

2.4. The Fund shall be held in trust for the benefit of the Members of the Scheme by Trustee Company upon the trusts and for the objects contained in this deed and shall be managed, administered and applied by Trustee Company in accordance with the powers contained in this deed, in order to attain those objects.

2.5. LGIC hereby declares that it holds the Shares on trust for the benefit of the Members in accordance with the terms of this deed and the other Scheme Documents for the objects and purposes of the Scheme.

2.6. Trustee Company is and shall remain responsible for the safe custody of all money, policies, certificates and other documents of title and value in connection with the Fund and for the safe custody, realisation and distribution of all assets and property from the Fund, from time to time vested in Trustee Company.

3. Purposes and Objects

3.1. LGIC and Trustee Company declare that their purposes in entering into this deed and the objects of the Scheme are:

3.1.1. To establish and maintain an Annual Fund for each Fund Year during the term of the Scheme for the benefit of the Members to meet the costs of establishing and running the Scheme and, subject to the terms of this deed and the other Scheme Documents and the Guidelines, to pay the Civil Liabilities of the Members arising from the Risks covered by the Scheme and specified in the Scheme Documents with the intention that Members' needs for insurance cover and insurance expenses are reduced for the benefit of residents and ratepayers;

3.1.2. To provide Pooled Cover in respect of Risks as may be determined from time to time by the Board;

3.1.3. To manage and settle or pay Claims made against Members;

3.1.4. To develop programmes for the management of the risk of loss arising out of Civil Liability of the Members;

3.1.5. To reduce the amount and frequency of losses to the Members arising out of Civil Liability;

3.1.6. To purchase such Indemnity Cover or re-insurance in respect of such Risks as may be determined from time to time by the Board;

3.1.7. To undertake such other functions in relation to the management of Civil Liability as the Board may from time to time require having regard to the interests of the Members, including making grants from the Fund to a Member or any other person or body approved by the Board;

3.1.8. To investigate and if deemed appropriate by the Board, establish other Funds to cater for the insurance needs of Local Authorities and other local government organisations;

3.1.9. To work with Members to ensure that proper systems are developed to promote the efficient and safe fulfilment of each Member's functions to provide to the Community as a whole;

3.1.10. To do all other things as may be necessary or desirable to further the above objects in the interests of the Members of the Scheme.

3.2. The parties agree that they will co-operate to the fullest extent with each other in the implementation of the purposes stated in clause 3-.1 and act in accordance with the provisions and spirit and intent of this deed.

3.3. LGIC shall be entitled to be paid an administration fee to be determined from time to time by the Board for the performance of its functions and duties under this deed as Fund Manager and for the provision of any other services to Trustee Company.

4. The Fund

4.1. Trustee Company shall establish and maintain a Fund in the amount recommended by the Board and shall at the commencement of each Fund Year during the term of the Scheme on the advice of the Board invite the Members of the Scheme to contribute to the Fund at such levels as are determined pursuant to clause 6.6 to meet:

4.1.1. such Underlying Claims as may be made against any one or more of the Members during that Fund Year in respect of Risks to the extent of the Pooled Cover.

4.1.2. the premium payable to an appropriate indemnity insurer or insurers to provide Indemnity Cover for the Members during that Fund Year.

4.1.3. the operating expenses of the Scheme for that year.

4.1.4. the grants or allocations to be made pursuant to clauses 3.1.7 or 3.1.8 (if any).

4.1.5. any other amount determined by the Board to be required for the continuation of the Scheme.

4.2. Each Underlying Claim made upon any of the Members during a Fund Year in respect of Risks may at the discretion of the Board be met:

4.2.1. to the extent that the Underlying Claim does not exceed the amount of the Pooled Cover of the Annual Fund for that Fund Year from that Annual Fund;

4.2.2. to the extent that the Underlying Claim exceeds the amount of the Pooled Cover but does not exceed the amount of the Indemnity Cover for that Fund Year

(i) to the amount of the Pooled Cover, from the relevant Annual Fund for that Fund Year;

(ii) thereafter from Indemnity Cover for that Fund Year to the extent of that Cover;

4.2.3. To the extent that the Underlying Claim exceeds the amount of the Pooled Cover and the Indemnity Cover for that Fund Year;

(i) to the amount of the Pooled Cover, from the relevant Annual Fund for that Fund Year;

(ii) to the amount of the Indemnity Cover for that Fund Year, to the extent of that cover;

(iii) the balance by the Fund from surpluses from previous Fund Years and from Additional Contributions from Members;

(iv) to the limit of any guarantee provided by LGIC, by LGIC.

4.3. The Members shall be invited to Contribute to the Fund in the proportions to be determined annually by the Board. The Contributions by Members for each Fund Year shall be held and accounted for as a separate Annual Fund for that Fund Year.

4.4. Trustee Company shall administer the Fund with the intent that upon the settlement of all Claims made in respect of occurrences or events arising during the relevant Fund Year;

4.4.1. any surplus or anticipated surplus remaining in the Annual Fund ~~attributable to~~for that Fund Year shall be allocated at the absolute direction of the Board towards liabilities of the Fund for any later Fund Year; and

4.4.2. any deficiency in the Annual Fund for that Fund Year shall be met by Additional Contributions by each Member in the proportion in which Contributions were made to the Annual Fund for that Fund Year.

5. Board of Trustee Company

5.1. LGIC shall, following consultation with the Board, appoint persons (not exceeding a maximum of six at any one time) as directors for a term not exceeding three years and one month, and may following consultation with the Board at any time remove, with or without a replacement, any director.

5.2. Unless otherwise expressly provided in this deed or the Constitution, questions arising at~~.~~ any meeting of the Board shall be decided by a simple majority of the votes of those directors present and voting.

5.3. The quorum necessary for the transaction of business at meetings of the Board shall be the majority of the Directors. A director is to be counted for quorum purposes whether entitled to vote or not.

5.4. Subject to the provisions of this deed and any applicable law, LGIC shall determine, from time to time, what (if any) directors fees, other valuable consideration or other benefit shall be paid or given by Trustee Company out of the Fund to any director in respect of that person's performance of duties as a member of the Board.

5.5. No director may hold office for more than twelve years, whether continuously or in aggregate over several periods.

6. Duties of the ~~Board~~Trustee Company

6.1. The ~~Board~~Trustee Company shall be responsible to LGIC as shareholder (as trustee for the Members). Notwithstanding anything to the contrary in the Constitution, the duties of the ~~Board~~Trustee Company shall include:

6.1.1. Implementing and achieving the purposes and objects of the Scheme;

6.1.2. Considering all Claims made against the Fund and determining whether or not the ~~Board's~~Trustee Company's discretion should be exercised to meet the Claim for the Member from the Pooled Cover;

6.1.3. Ensuring the Scheme is and remains financially viable and solvent within the "solvency tests" laid down by the Act and generally at law;

6.1.4. Conduct its business in accordance with this deed and other Scheme Documents, and otherwise in such manner as is resolved by the Board from time to time;

6.1.5. Promulgating and amending the Scheme Rules and the Guidelines from time to time.

6.2. The ~~Board~~Trustee Company shall regard the purposes and objects of this deed and the Scheme as being of paramount importance in decisions made and policies adopted by it in relation to the Scheme and shall adopt and use such management and other techniques as will ensure that those main objectives are achieved.

6.3. The Trustee Company being a wholly-owned subsidiary of LGIC (as trustee for the Members), any director may act in a manner which he or she believes is in the best interests of LGIC (as trustee for the Members) and the Members, notwithstanding that it may not be in the best interests of the Trustee Company.

6.4. A director who is an officer, employee, nominee or representative of a Member shall only be disqualified from voting on any matter that affects that Member if it affects the Member directly and in a materially different way from which it affects other Members or there are personal reasons why that director has a conflict of interest.

6.5. The ~~Board~~Trustee Company shall from time to time appoint the Scheme Solicitor for such tenure and upon such terms as it shall in its sole discretion decide, but such appointment shall be formally reviewed by the ~~Board~~Trustee Company at least every three years.

6.6. The ~~Board~~Trustee Company shall be responsible for the financial management of the Scheme to the extent that it shall:

6.6.1. annually prepare the financial statements and, where considered necessary, report to the Members on any items arising from those statements;

6.6.2. annually determine the Guidelines for the Risks to be provided for from the Fund for any Fund Year;

6.6.3. annually determine the amount of Pooled Cover to be provided for the Members from the Fund for any Fund Year;

6.6.4. annually determine the amount and nature of Indemnity Cover to be purchased for the Members from the Fund for any Fund Year and to determine the indemnity insurer or insurers for this purpose;

6.6.5. be responsible for the assessment of the Members to determine the proportion in which they are to contribute to the Fund in each year. Each Member shall be required to and shall provide to the ~~Board~~Trustee Company and to the Scheme Manager such information as the ~~Board~~Trustee Company or the Scheme Manager may require in relation to the history of Civil Liability Claims made against the Member, the Member's operating procedures or such other matters as may be directed in order to permit the ~~Board~~Trustee Company to carry out its obligations under this clause.

6.7. The ~~Board~~Trustee Company may from time to time establish, or disestablish, a Claims Committee. Any such Claims Committee shall have such membership, duties, functions and powers, and be subject to such procedures, as the Board may from time to time stipulate. Where a Claims Committee is disestablished, its duties, functions and powers shall revert to the ~~Board~~Trustee Company (but without prejudice to the validity or effectiveness of any act or omission of the Claims Committee prior to its disestablishment), and any reference in this deed to the Claims Committee shall be read accordingly.

6.8. The ~~Board~~Trustee Company at its discretion may establish such other committees, to be constituted by such persons, as the Board may determine. ~~The~~The Trustee Company, and the Board may delegate such of its powers, duties and functions as it may determine to any committee or person.

6.9. The ~~Board~~Trustee Company at all times remains responsible for powers and duties delegated to any committee or person and must monitor, by means of reasonable methods properly used, the exercise of those powers and duties by the delegate.

6.10. The ~~Board~~Trustee Company shall consider regularly the reports of the Scheme Manager and the Claims Committee in relation to Claims and:

6.10.1. shall, on the recommendation of the Claims Committee and Scheme Manager, determine whether to accept or reject any Claim;

6.10.2. from time to time shall issue instructions to the Claims Committee and Scheme Manager regarding the processing of Claims

6.10.3. shall, on written request from a Member, reconsider any Claim that has been rejected.

6.11. [Intentionally Omitted]

6.12. Where it becomes apparent to the ~~Board~~Trustee Company that the Annual Fund for any Fund Year will be insufficient to meet Claims payable from that Annual Fund, the ~~Board~~Trustee Company may at any time require the payment by the Members of an Additional Contribution in the same proportions as the Contributions paid by each of the Members to that Annual Fund in order to ensure that all Claims upon that Annual Fund are able to be met.

6.13. In addition to the provisions of this clause the ~~Board~~Trustee Company may at any time resolve to apply by way of transfer or loan any actual or anticipated surplus

then remaining in any Annual Fund to any later Annual Fund, or to such purposes as ~~may~~the Trustee Company in its absolute discretion determines from time to time to be ~~considered~~ appropriate having regard to the purposes of the Scheme and this deed.

6.14. The ~~Board~~Trustee Company, in accordance with the provisions of this deed, may make payments and grants from the Fund for the benefit of the Members and to further the objectives of the Scheme as the ~~Board~~Trustee Company deems fit in its absolute discretion.

~~6.15.~~ The Trustee Company ~~Board~~ shall within 12 months from the commencement of the Scheme hold an annual meeting of Members to be convened no earlier than 30 days after the

~~6.16.~~6.15. mailing to Members of notice of such meeting. In each subsequent year in which the Scheme continues the Board shall in the same manner hold an annual meeting.

~~6.17.~~6.16. Any meeting of the Members shall be called and conducted as closely as is practicable in accordance with the Constitution and the Act as if it were a meeting of the shareholders of Trustee Company and as if the Members were shareholders of Trustee Company, and each meeting shall otherwise regulate its own proceedings, however at any such meeting:

~~6.17.1.~~6.16.1. a Member shall have one vote;

~~6.17.2.~~6.16.2. a Member may vote only in respect of matters arising in, from or relating to a Fund Year during which the Member was or is a Member of the Scheme; and

~~6.17.3.~~6.16.3. matters arising in, from or relating to different Fund ears shall be considered and voted on separately.

7. [Intentionally Omitted]

8. Guidelines and Claims

8.1. The Trustee Company (acting through the Board) upon the recommendation of the Scheme Manager shall set at the commencement of each Fund Year Guidelines for the exercise of its discretion as to whether or not Claims by Members should be met out of the Pooled Cover.

8.2. The Trustee Company (acting through the Board) shall have absolute and unfettered discretion as to whether or not any Claim should be met out of the Pooled Cover and shall be influenced by but not bound by the Guidelines.

8.3. The Claims Committee may authorise the Scheme Manager to meet Claims out of the Pooled Cover where:

8.3.1. Those Claims do not exceed the Scheme Manager's Quantum and;

8.3.2. The Claim falls within the Guidelines and;

8.3.3. The Underlying Claim against the Member is one for which the Member is reasonably liable and would in all probability be held liable at law for the amount of the Claim.

8.4. Where the quantum of any Underlying Claim exceeds the Scheme Manager's Quantum the Claims Committee shall authorise the Scheme Manager in conjunction with the Scheme Solicitor to administer and deal with that Underlying Claim but any settlement of a claim shall be authorised by the Claims Committee.

9. Engagement of Scheme Manager

9.1. The Trustee Company ~~Board~~ shall appoint a person to be the Scheme Manager upon such conditions as to tenure and remuneration or otherwise as shall be determined by the Trustee Company ~~Board~~ in its sole discretion and agreed upon by the Scheme Manager, and the parties record that:

9.1.1. the first Scheme Manager appointed by the Trustee Company was ~~shall be~~ Jardine, which was appointed for a period of 5 years from commencement of the Scheme; and

~~9.1.~~9.1.2. With effect from 30 June 2012, LGIC was appointed as Scheme Manager and, without interruption, has continued in that capacity from that date and remains the Scheme Manager as at the date of this deed.

9.2. The Scheme Manager's duties shall be determined by the Trustee Company ~~Board~~ from time to time and may include:

9.2.1. from time to time undertake an assessment of the Members or any of them and their activities to assist the Fund Manager in the determination of the proportion in which the Members are to contribute to the Fund in any year and upon the conclusion of any such investigation direct the Members or any of them as to the procedures to be adopted by them to prevent losses or to minimise Civil Liability.

9.2.2. under the supervision and direction of the Claims Committee and the Board, the management of Claims made against each Member including:

(a) the investigation and assessment of those Claims;

(b) the preparation of regular reports to the Board on the progress of Claims and the preparation of recommendations as to the acceptance, rejection, settlement, litigation or other handling of the Claims;

(c) the issue of instructions to the Scheme Solicitor for advice ~~m~~in respect of Claims and for assistance in the defence of Claims.

9.2.3. the provision of loss prevention and risk minimisation guidelines to members.

9.3. The Scheme Manager shall be available at all times to any member of the Trustee Company, the Board, or any member of the Claims Committee or any other

committee of the Board, or any of the Members of the Scheme, to answer any questions on the conduct of the Scheme's activities.

10. Fund Manager

10.1. LGIC shall be the Fund Manager upon such conditions as to remuneration or otherwise as shall be agreed by the Board and LGIC. In the event that LGIC becomes insolvent or ceases to trade then the Board shall appoint a new Fund Manager.

10.2. The Fund Manager's duties shall be determined by the Board from time to time and shall include:

10.2.1. the keeping of the accounts of the Annual Fund for each Fund Year;

10.2.2. the provision of administrative and secretarial services to Trustee Company and the Board including setting agendas and submitting reports;

10.2.3. the preparation of advice and recommendations on the investment of any moneys of the Fund not immediately required and implementation of decisions of the Board;

10.2.4. the preparation of regular reports to the Board in such form as the Board shall from time to time direct in respect of each Annual Fund as to:

(i) Claims outstanding;

(ii) The Scheme Manager's assessment of liability in respect of each outstanding Claim;

(iii) The ability of the Fund to meet the assessment of liability;

(iv) The assessment of further Additional Contributions required, if any;

(v) The investment of the moneys of the Fund not immediately required;

(vi) The allocation of surplus moneys in the Fund, if any;

10.2.5. the preparation of the annual operating budget;

10.2.6. the calculation of Contributions in conjunction with actuarial advice and advice from the Scheme Manager;

10.2.7. the recommendation of the level of Pooled Cover to be provided in any Fund Year;

10.2.8. the recommendation of the level of Indemnity Cover to be provided in any Fund Year.

10.3. The Fund Manager shall be available at all times to any member of the Board or any member of the Claims Committee or any other committee of the Board or any Member of the Scheme to answer questions on the management of the Fund.

10.4. The Fund Manager shall negotiate Indemnity Cover as requested by the Board and satisfying any specific requirements of LGIC while LGIC's Deed of Guarantee is operative or while there are outstanding amounts due to LGIC under any Deed of Guarantee.

11. Contributions to Scheme

11.1. Each Member, as a condition of membership of the Scheme for that Fund Year, shall pay the initial Contribution determined by the Board for that Member for that Fund Year.

11.2. The Contributions determined for any Member in respect of any Fund Year, shall be determined having regard to the advice from the Claims Committee, the Fund Manager and the Scheme Manager and such matters as the Board considers relevant to the Scheme Member's level of risk and may include, without limitation:

11.2.1. the Member's revenue base;

11.2.2. the geographical location of the Member's territory;

11.2.3. the population of the Member's territory;

11.2.4. the Member's Civil Liability claims history (both during and prior to its membership of the Scheme;

11.2.5. any matter relating to the nature of the Member's territory or its operations which create increased or reduced risks of Civil Liability;

11.2.6. any matters relevant to the Scheme Member's risk management practices that are known to the Board;

11.2.7. any other matters the Board considers relevant, having regard to the purposes and objects of the Scheme.

11.3. If during a Fund Year it becomes apparent to the Board that as a result of unexpected or exceptional circumstances the Fund for that Fund Year will be insufficient to meet Claims payable from the Fund, the Board may determine an Additional Contribution payable by each Member for the Fund Year (which will be in the same proportion to the Additional Contributions of all other Members as the initial Contribution paid by the Member for that Fund Year bears to the initial Contributions of all Members for that Fund Year).

11.4. All Contributions (including any Additional Contribution under sub-clause 11.3) must be paid within twenty days of the date of the contribution notice given to the Member by the Board, the Scheme Manager or the Fund Manager (or such longer period as stated in the notice or determined by the Board).

11.5. Without affecting any other Rule, if the amount of any Contribution (including any Additional Contribution under sub-clause **Error! Reference source not found.**) is not paid by the due date:

11.5.1. interest may, if the Board so determines, accrue calculated daily, on daily balances (and compounding semi-annually) at the Bank of New Zealand Indicator Rate from the due date to the date of actual payment;

11.5.2. an unpaid Contribution (and interest) constitutes a debt payable by the relevant Member to the Scheme and Trustee Company may bring proceedings for the recovery of that debt in its name on behalf of the Scheme.

12. Bank Account, Investment and Borrowing Powers

12.1. Trustee Company shall open a bank account for the Fund with a registered Bank determined by the Board.

12.2. The name of the bank account and the persons authorised as signatories to operate the bank account shall be determined by the Board.

12.3. The parties agree that the Trustee Company may invest moneys received in respect of the Fund and not immediately required to meet the liabilities of the Fund;

12.3.1. with any registered Bank;

12.3.2. in any security or investment authorised by the Trustee Act; or

12.3.3. in any security or investment authorised by the Local Government Act 1974 or prescribed pursuant to and for the purposes of that Act; or

12.3.4. with the Trustee of any other Trust Fund established for the benefit of Local Authorities or other local government organisations.

12.4. The parties agree that for any of the purposes of this deed Trustee Company may borrow moneys and for that purpose secure the repayment of its borrowings by granting security over the assets of the Scheme and the Fund.

12.5. All Contributions and other moneys received by Trustee Company shall be deposited to the credit of the Fund and shall be applied at its discretion as follows:

12.5.1. in payment of any establishment costs for the Scheme;

12.5.2. in payment of all administrative and operating costs associated with the Scheme;

12.5.3. in payment of fees due to the Scheme Manager and the Fund Manager;

12.5.4. in payment of all Claims accepted by the Board;

12.5.5. by way of any grant or allocation approved under this deed; and

12.5.6. generally in furtherance of the Scheme's objectives including a transfer, payment or loan in accordance with the Scheme Documents.

12.6. The parties agree that Trustee Company and the Board shall keep or cause to be kept all such accounting records for the Scheme and the Fund as fully and correctly explain the transactions and financial position of the Scheme and the Fund.

~~**13. Recource to Scheme Assets Only**~~

13. Limitation of liability and indemnity

13.1. ~~For~~ The liability of the ~~payment of~~ Trustee Company for any ~~Claim against the Scheme~~loss, claim, or other liability arising out of or connected with the performance of its obligations under this Deed (including, but not limited to, loss or liability of, or claims against, the Scheme, or in respect of the performance of any obligation of the Trustee Company or the Scheme under this deed~~, resort may~~), is limited to, and can only be ~~had solely to~~recovered to the extent of, the right of indemnity (conferred under clause 13.3) of the Trustee Company from the Fund and other assets and property of the Scheme ~~and no~~, provided however that this limitation does not apply to the extent that the Trustee Company's right of indemnity is impaired as a direct result of the Trustee Company's dishonesty or wilful default.

~~13.1.~~13.2. No claim may be made or endorsed by a Member against:

~~13.1.1.~~13.2.1. any ~~Member of~~director, officer, or employee of the Trustee Company, or the Board;

~~13.1.2.~~13.2.2. the Scheme Manager or the Fund Manager in any capacity other than as Scheme Manager or Fund Manager of the Scheme;

~~13.1.3.~~13.2.3. except to the extent of LGIC's indemnity to Trustee Company, LGIC; or

~~13.1.4.~~13.2.4. any other Member.

~~13.2.~~13.3. The Trustee Company, the Board and every member of the Board are, to the fullest extent permissible at law, unconditionally and irrevocably indemnified out of the Fund and other assets and property of the Scheme:

13.3.1. in respect of all liabilities, losses, costs and expenses incurred by the Trustee Company, the Board or a member of the Board; and

13.3.2. against all actions, proceedings, claims, demands, costs, expenses, losses or liabilities in respect of any matter or thing done or omitted by the Trustee Company the Board or a member of the Board,

in each case:

13.3.3. in connection with administering this Deed and the Scheme;

13.3.4. when exercising their powers, authorities and discretions under this deed and the Scheme;

13.3.5. in relation to any matter or thing done, or omitted to be done, in any way in relation to this Deed and the Scheme; and

13.3.6. even where the liability, loss, cost or expense or the action, proceedings, claims, demands, costs, expenses, losses or liabilities (as the case may be) arise from a failure or alleged failure by the Trustee Company, the Board or a member of the Board to comply with the terms of this deed, or the terms of the Scheme or any duty, limitation or restriction howsoever arising (including, by way of example, at common law, in equity, under statute or contract).

except for any liability arising in respect of any dishonesty or wilful default of the Trustee Company or the Board, or a member of the Board. Where the exception applies it only applies to deprive the person whose conduct amounts to dishonesty or wilful default of the benefit of the indemnities and no other person.

14. Order of Priority of Scheme Documents

14.1. The Scheme Documents shall be construed in the following order of priority:

14.1.1. this deed, which shall be paramount; then

14.1.2. the Scheme Rules; then

14.1.3. the Constitution; and then

14.1.4. the Deed of Participation and the Guidelines for each Member.

15. Surplus on Liquidation of Scheme

15.1. Upon the winding up of the Scheme (including the liquidation of Trustee Company) the assets, if any, remaining after payment of the debts and liabilities of the Scheme and the costs of winding up ("the surplus assets") shall be distributed among the then Members of the Scheme in proportion to their Contributions to the Scheme over the Fund Year in which the winding up commenced and the previous four Fund Years, provided however that Members whose Contributions are not fully paid up at the commencement of the winding up shall receive only a proportionate share of their entitlement being the amount which is in proportion to the amount of their Contributions paid up. In calculating a Member's Contributions for the purposes of this clause the amount of the Contribution shall be reduced by the amount of any Claim or Claims paid or payable pursuant to the Scheme.

16. Deed of Participation

16.1. Each Member, as a condition of membership of the Scheme, shall be required to execute under seal and deliver to Trustee Company a Deed of Participation in the form annexed as Schedule 1, as may be varied or substituted by the Board from time to time, whereby the Member covenants and agrees, for the benefit of Trustee Company and LGIC, to be bound and to observe and perform all the terms of this deed and the other Scheme Documents as if the Member was a party to this Deed and the other Scheme Documents.

16.2. Members shall provide the Scheme Manager with all information as is necessary to give effect to the Scheme and in particular will:

16.2.1. Disclose all material facts to the Scheme Manager as if the Member was an insured and the Scheme Manager was an agent for an insurer and;

16.2.2. Conduct itself in its dealings with the Scheme in the same manner as if it was an insured under a policy of insurance with the Scheme and in particular act in good faith towards the Scheme.

16.2.3. Immediately advise the Scheme Manager of any Underlying Claim and co-operate with the Scheme Manager and Scheme Solicitor in dealing with Underlying Claims

17. Variations

17.1. LGIC and Trustee Company may make any variation or addition to this deed if it is consented to in writing by not less than 90% in number of Members, and any such variation or addition shall be binding on all Members.

EXECUTED AS A DEED

EXECUTED by **NEW ZEALAND LOCAL GOVERNMENT INSURANCE CORPORATION LIMITED** by two of its directors:

Director (signature)	Director (signature)
Name (Please Print)	Name (Please Print)

EXECUTED by **LOCAL GOVERNMENT MUTUAL FUNDS TRUSTEE COMPANY LIMITED** by two of its directors:

Director (signature)	Director (signature)
Name (Please Print)	Name (Please Print)

SCHEDULE 1

DEED OF PARTICIPATION

_____

(Name of Member)

HEREBY DECLARES covenants and agrees for the benefit of Local Government Mutual Funds Trustee Company Limited and New Zealand Local Government Insurance Corporation Limited to be bound by and observe and perform all of the terms of the Deed of Trust establishing the New Zealand Mutual Liability Riskpool and the Scheme Documents referred to in that Deed of Trust as if it was a party to those documents (as amended from time to time).

SIGNED BY

_____ _____

as the duly authorised agent of the Member in the presence of:

(Signature of duly authorised Agent)

_____

(Signature of Witness)

_____

(Name of Witness)

_____

(Address of Witness)

_____

(Date)

TITLE: Approval of updated Risk Management Policy

From: Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 16 September 2025

Executive summary/Whakarāpopototanga

This report presents the updated Risk Management Policy for approval by council, following its annual review. This policy was presented to council's Audit and Risk Committee in August for endorsement.

Recommendations

1. That the report 'Approval of updated Risk Management Policy' by Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead and dated 12 August 2025, be received.
2. That council approve the updated Risk Management Policy, as included as attachment 1 to this item

Options

No.	Option	Advantages	Disadvantages
1	Approve updated risk management policy	A more relevant policy, offering better guidance to staff will guide the management of risk across council.	Minimal. Some staff time to update policy in the system.
2	Do not approve updated risk management policy	None.	Policy will not be improved and able to support better risk management across council.

The recommended option is 1.

Considerations

1. Climate Impact

Updating the risk management policy is not anticipated to have any impact on climate.

2. Environmental Impact

Updating the risk management policy is not anticipated to have any environmental impact.

3. **Community views**

   The risk management policy is an internal policy, and community views are not considered a necessary part of considering its update.

4. **Māori impact statement**

   The proposed updates to the risk management policy are largely administrative and are not considered to have any impact on Māori.

5. **Financial implications**

   The proposed updates to the risk management policy are largely administrative and are not considered to have any financial implications.

6. **Implementation issues**

   No implementation issues are anticipated.

7. **Significance and engagement**

   The decision to review and endorse the changes to the Risk Management Policy do not trigger any further considerations under councils Significance and Engagement Policy.

8. **Policy, risk management and legislative compliance**

   Making the proposed updates to the risk management policy will have positive impacts in terms of policy, risk management and legislative compliance, with a more relevant and up-to-date policy in place.

Background/Tuhinga

Council maintains a policy that guides the management of risk across the organisation. The policy outlines council's commitment to effective risk management including the principles, objectives and behaviours required to support consistent and proactive risk practices. This policy is subject to annual review, which has been completed for 2025. Resulting improvements include reducing unnecessary content, alignment with council policy template, and focussing on the outcome of risk management.

Changes included:

- Re-wording of the purpose section to succinctly capture only the purpose of the policy.
- Streamlining of the scope section to focus on who the policy applies to rather than describe what risk it.
- Development of clear policy statements including:
    - Commitment to risk management - to describe what risk management is, and councils' commitment to it
    - Objectives - retained the essence of objectives from previous policy with minor updates and removal of reference to community outcomes, which are no longer needed to be specifically stated in policy.
    - Principles - new section to outline the principles of risk management, as aligned with councils Risk Management Framework.
- Updating of the table of Roles and Responsibilities.

The Risk Management Policy was discussed by the Audit and Risk Committee at their meeting on 19 August, with three minor additions made to the policy as a result of that discussion, as highlighted in yellow in the policy. The policy is now presented for formal approval by council.

Attachments/Ngā tapirihanga

Attachment 1: Updated Risk Management Policy - changes shown ⇩

REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

Risk Management Policy

- Roles and responsibilities for managing risk
- Risk management implementation

Purpose

The purpose of this policy is to outline Northland Regional Council's commitment to effective risk management, including the principles, objectives, and behaviours required to support consistent and proactive risk practices across all areas of the council.

~~This policy does not set out how risk management is implemented. Approaches for implementing risk management are detailed in the Risk Management Framework.~~

Scope

This policy applies to all staff, elected members and those working on behalf of council.

~~Risk is the impact of an uncertain event or condition that, if it occurs, has a positive or negative effect on the things that we value and want to achieve. We seek to better understand risk because it informs the decisions that we make in order to achieve our community outcomes.~~

~~Risk management is the knowledge, behaviour and practices that we use to control the risks that can impact on the things we value. Risk management aims to reduce threats and maximise opportunities.~~

Policy Statement

1. Commitment to risk management

Northland Regional Council is committed to council-wide risk management principles and processes to ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational procedures.

Risk management is the systematic process of identifying, assessing, and mitigating threats or uncertainties that can affect an organization. This involves analysing the likelihood and impact of risks, developing strategies to minimize harm and monitoring the effectiveness of these measures.

~~1.~~2. Objectives

REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

~~The objectives of risk management at council areare to:~~

- ~~Support the achievement of council's vision, mission and community outcomes.~~
- Embed risk management as an integral part of all council activities.
- Provide a safe and secure workplace environment ~~for employees, contractors and visitors to~~at ~~our workplaces~~council.~~.~~
- Limit loss or damage to property and other assets.
- Limit interruption to business continuity.
- Prevent financial loss and occurrence of fraud
- Be agile and responsive to emerging and changing risks.
- Ensure a structured, comprehensive and effective approach.
- Continually improve risk management through learning, experience, reporting and review.
- Meet or exceed national and international best practice standards.

3. Principles

~~-~~Council's risk management approach is guided by the following principles:

- Risk management creates and protects value
- It is an integral part of all organisational process
- It~~-~~ is a part of decision making
- It explicitly addresses uncertainty
- It is systematic, structured and timely
- It is based on the best available information
- It is tailored
- It takes human and cultural factors into account
- It is transparent and inclusive
- It is dynamic, iterative and responsive to change
- It facilitates continual improvement of the organisation

~~2.~~4. Roles and responsibilities

The following table outlines the risk management responsibilities by position at council.

Position	Roles and Responsibilities
Elected Members~~Councillors~~	• Ensure that risks are adequately considered when setting council's vision, mission and community outcomes. • Understand and assess the risks facing the organisation in achieving its vision, mission and community outcomes.
Audit and Risk Committee	• Understand the risks facing council in achieving its vision, mission and community outcomes, assess risk appropriateness and ensure that systems are operating effectively. • Provide assurance to council.
Chief Executive Officer	• Advocate risk identification and management across the organisation • Assure the Audit and Risk ~~Sub-C~~committee and Council that risks are being identified and managed. • Assure the Audit and Risk ~~Sub-C~~committee and Council that systems to manage risks are implemented and operating effectively.
Group Managers	• Identify and record risks in the register. • Promotion of a risk management culture to managers and staff

REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

	• Assure the Chief Executive Officer that risks to council are identified and managed.
Process Manager Group Champion	• Administer and support risk review and updates to the risk register as required within their groups.
Risk and Assurance Lead	• Ensure that Strategic and group risks are reviewed maintaining the overdue non-compliant register. • Facilitate regular reporting of risk to the Audit and Risk ~~sub-~~committee. • Undertake reviews of risk processes and appetite as necessary and/or as directed by the Audit and Risk ~~Sub-~~committee. • Manage Deep Dive reporting for Audit and Risk ~~Sub-~~committee meetings. • Manage risk registers within Process Manager (Promapp) providing support and training where required.
People and Culture Manager	• Manage and Report Health and Safety risks to ELT and Audit and Risk ~~Sub~~committee.
Project Managers	• Identify, manage and report project risks in Process Manager. • Regular review and update to the risk register.
Risk Owners	• Identify, manage and report risks. • Share risks with other people likely to be exposed to/affected by the risk. • Act appropriately to these risks when undertaking roles and responsibilities.
All Staff	• Identify risks and report them to the appropriate line or project manager. • Act appropriately to these risks when undertaking roles and responsibilities

Essential supporting information

Definitions

Risk- is the impact of an uncertain event or condition that, if it occurs, has a positive or negative effect on the things that we value and want to achieve.
Risk Management- involves analysing the likelihood and impact or risks, developing strategies to minimize harm and monitoring the effectiveness of these measures is the knowledge, behaviour and practices that we use to control the risks that can impact on the things we value. Risk management aims to reduce threats and maximise opportunities.

Key relevant documents

Include the following: (in hierarchical order)

- Risk Management Framework
- Audit and Risk Subcommittee – Terms of Reference
- The Pathways Te Huarahi Tika Quality Management Process
- Legislative Compliance Policy
- ISO 31000-2018 (Risk Management – Guidelines)
- Office of the Auditor General Good Practice Guides

TITLE: Te Tiriti Health Check

From:	Auriole Ruka, Pou Manawhakahaere - Strategic Partnerships and Engagement
Authorised by Group Manager/s:	Auriole Ruka, Pou Manawhakahaere - Strategic Partnerships and Engagement, on 17 September 2025

Executive summary/Whakarāpopototanga

The purpose of this report is to present council's Long-Term Plan Te Tiriti Organisational Review (Te Tiriti Health Check) for receipt by council. This independent review is provided in the form of a final report and recommendations as prepared by consultants Buddle Findlay (**Attachment 1**). The Te Tiriti Health Check is a biennial review framework embedded within Tāiki ē (Priority Action 1). It provides for an independent report with recommendations for continuous improvement as to how council supports and upholds its Te Tiriti commitments in partnership with iwi and hapū in Te Taitokerau.

Buddle Findlay was contracted to deliver on the Te Tiriti Health Check as they have had significant experience in working with tangata whenua and councils across the country in Te Tiriti based matters. They were also involved in the inaugural Te Tiriti Health Check when council embarked on this process for the first time in 2022.

At the Te Ruarangi formal meeting held on the 14 August 2025, both council and iwi and hapū representatives provided valuable feedback and kōrero on the draft Te Tiriti Health Check Report and commended both council and consultants for capturing the aspirations and collective voices of the hapū and iwi represented. Furthermore, Te Ruarangi endorsed the Te Tiriti Health Check and the integrity of the process undertaken by Buddle Findlay and the recognition of the relationships and the achievements that have been noted in the report for the incoming council to consider.

Recommendation(s)

1. That the report 'Te Tiriti Health Check' by Auriole Ruka, Pou Manawhakahaere - Strategic Partnerships and Engagement and dated 17 September 2025, be received.
2. That That council receive the final report and recommendations of the Te Tiriti Organisational Review (Te Tiriti Health Check) prepared by Buddle Findlay and (subject to any final minor, graphic, structural or grammatical changes or amendments recommended by the Chief Executive Officer).

Options

No.	Option	Advantages	Disadvantages
1	Council receives the Te Tiriti Health Check Report and recommendations.	Aligns with council's commitment to Tāiki ē and Priority Action 1. Te Tiriti o Waitangi and strengthens partnerships with tangata whenua.	Increased workload for staff, elected and non-elected members. Raises expectations of iwi and hapū for council to respond appropriately in a complex environment.

No.	Option	Advantages	Disadvantages
		Provides clear strategic direction both at a governance and operational level to give effect to Te Tiriti o Waitangi. Provides a robust starting point for the incoming council for the understanding of Te Tiriti o Waitangi and Te Taitokerau context, partnership and obligations.	
2	Council does not receive Te Tiriti Health Check.	No extra resource required for unbudgeted areas or action points that may arise from the recommendations.	Undermines council's commitment to partnerships and will receive negative reactions from tangata whenua partners. Significant amount of work and good will from Te Ruarangi would be lost and underutilised. Counter-productive to the implementation of Tāiki ē.

The staff's recommended option is Option 1 – council receives the Te Tiriti Health Check report and recommendations.

Considerations

1. Climate Impact

The Te Tiriti Health Check will assist to facilitate meaningful relationships with iwi and hapū as it will improve council's ability to respond appropriately to climate implications with iwi and hapū. This will be evident in council's ability to discuss important topics related to climate change particularly as iwi and hapu are significantly impacted by floods, droughts and sea level rises in a way that recognises and respects the world view of Māori, specifically in how it translates within a mātauranga Māori framework and methodology.

2. Environmental Impact

The Tiriti Health Check ensures that Tāiki e is upheld and prioritised by council and is constantly reviewing its performance against its LTP and subsequent implementation plans. Tāiki ē includes direct actions relating to environmental monitoring, review of council's regulatory services, and education on environmental and resource management issues. Furthermore, while Tāiki e focuses on capacity, capability and Māori representation, it

establishes a framework for looking at the other Ngā Whainga / Goals which include Water/Marine and Climate Crisis.

3. **Community views**

   Community views have been represented throughout the process via the Te Tiriti Health Check Programme which includes fully elected councillors, non-elected members of Te Ruarangi, staff including the executive leadership team and hapū kaitiaki (as nominated by Te Ruarangi). The positive reception of the Te Tiriti Health Check is evident in the unanimous endorsement of the document by Te Ruarangi on 14 August 2025.

4. **Māori impact statement**

   This report directly relates to a partnership with tangata whenua and recognises a commitment to a Te Tiriti o Waitangi based partnership between council and Te Ruarangi.

5. **Financial implications**

   There are no financial implications as throughout the LTP 2024-2034 consultation processes, financial resources were clearly identified with annual budget provided to undertake and implement the recommendations of the Te Tiriti Health Check.

6. **Implementation issues**

   Recommendations from the Te Tiriti Health Check will be assessed within the context of Tāiki ē.

7. **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 Tāiki ē, Te Tiriti Strategy and Implementation Plan has already been adopted by council and Te Ruarangi respectively. Therefore, the Te Tiriti Health Check is council's ongoing commitment to the implementation plan, specifically Priority Action 1. 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.

8. **Policy, risk management and legislative compliance**

   The decision is consistent with policy and legislative requirements.

Background/Tuhinga

The Stage Two Tiriti Health Check Report has been completed by Buddle Findlay. A two-yearly independent Treaty Health Check is one of council's key performance indicator (KPI), with recommendations from the Health Check being implemented.

For the Tiriti Health Check process, Buddle Findlay engaged with the Group Manager – Governance and Engagement, and the Māori Technical Advisory Group (MTAG) to confirm the scope and approach for the review. That included:

- Confirming the schedule of workshops
- Preparing for and attending workshops with MTAG, the Te Tiriti Steering Group, ELT, and the council's Te Tiriti Partnerships and Engagement team
- Reviewing relevant documentation, and
- Undertaking work on the draft Stage Two Report.

Following this, Buddle Findlay facilitated workshops with both council and Te Ruarangi iwi and hapū caucus, focusing on key questions regarding the relationship between council and iwi/hapū:

- What is working well?

- What are the challenges and opportunities?
- How is council progressing against the recommendations made in Stage One?

Buddle Findlay then sought final feedback at the council workshop on Wednesday 13 August and the formal Te Ruarangi meeting on Thursday 14 August, then completed the report to reflect any feedback and prepared the final report that is now being presented to the formal council meeting on September 24, 2025. The final report includes

- A review of the effectiveness of existing mechanisms such as Te Ruarangi
- A high-level summary of council's statutory obligations under Te Tiriti o Waitangi and its responsibilities in engaging with Māori
- Recommendations for implementation of the Tiriti Health Check 2025

Implementation of recommendations from the report will contribute to council's measures and targets under the Long-Term Plan 2024–2034.

Attachments/Ngā tapirihanga

Attachment 1: Te Tiriti o Waitangi Health Check Stage Two - Final Report dated 20 August 2025 ⇩

Te Tiriti o Waitangi Health Check

Stage two report
Completed for Northland Regional Council

Final report – 20 August 2025

BUDDLE FINDLAY

TE TIRITI O WAITANGI HEALTH CHECK – STAGE TWO

BY

BUDDLE FINDLAY

FOR

TE KAUNIHERA Ā ROHE O TE TAITOKERAU / NORTHLAND REGIONAL COUNCIL

FINAL REPORT DATED 20 AUGUST 2025

EXECUTIVE SUMMARY

Buddle Findlay is pleased to provide this stage two Te Tiriti health check report for Te Kaunihera ā Rohe o Te Taitokerau / Northland Regional Council.

This report follows the stage one report that was provided in 2022. In that report we noted that we considered the partnership between council and iwi and hapū to be in a strong place relative to many of the iwi/hapū and local authority relationships across the country, however, that there was still more work to do.

In this stage two process, we have again reached the conclusion that the partnership in Te Taitokerau is in a strong place, compared to some other parts of the country. We have heard there is a genuine commitment to the partnership, including at leadership level. We have also heard that a significant amount of work that has been carried out to support and develop the partnership and that work is leading to meaningful and positive change, for both council, iwi, hapū and the broader community.

We recognise that this health check process is just one step in the journey in the relationship between the council, iwi and hapū and there is still much more to do. However, we continue to consider that the council is an exemplar in terms of how it approaches its relationship with iwi and hapū.

This stage two process has involved several workshops with elected members, Te Ruarangi, the Māori Technical Advisory Group, council's executive leadership team and other key council staff. We wish to express our gratitude to all those who participated in the process for their time and thoughtful contributions.

1. PART ONE: INTRODUCTION

1.1 Buddle Findlay has been engaged by Te Kaunihera ā Rohe o Te Taitokerau / Northland Regional Council (**council**) to undertake stage two of Te Tiriti o Waitangi health check. This health check is an independent assessment by Buddle Findlay of how the council implements its Te Tiriti o Waitangi obligations[1] including through engaging with tāngata whenua and mana whenua.

Background

1.2 Buddle Findlay and Whāia Legal carried out the stage one Te Tiriti health check during 2022.

1.3 The stage one health check involved workshops and consideration of feedback from the following groups:

(a) Te Taitokerau Māori and Council Working Party (**TTMAC**, now known as **Te Ruarangi**);

(b) the Māori Technical Advisory Group (**MTAG**);

(c) kaitiaki identified by council;

(d) council's executive leadership team (**ELT**) and other council staff; and

(e) councillors.

1.4 A draft report was prepared and presented to TTMAC, MTAG and ELT for feedback.

1.5 The report was then finalised – Te Tiriti health check report dated 23 September 2022 (**stage one report**). For ease of reference, the stage one report is attached to this report as **Appendix One.**

1.6 The stage one report identified significant progress in the council's relationship with Māori, while noting there remains *"a long way to go to achieve genuine partnership in a way that reflects and respects Te Tiriti, He Whakaputanga, and the mana and rangatiratanga of iwi and hapū."*

1.7 The stage one report also made a number of recommendations, which are addressed further in this report.

1.8 The council has since instructed Buddle Findlay to undertake a stage two Te Tiriti health check and prepare a final stage two report.

Scope and process of the stage two health check

1.9 Working with council staff, and with input from MTAG at a series of meetings, the purpose and scope of stage two of Te Tiriti health check was confirmed as follows:

(a) review council's progress against the recommendations in the stage one report;

(b) review council's implementation of Tāiki ē, the council's Te Tiriti strategy and implementation plan;

(c) assess broadly how the council implements its Te Tiriti o Waitangi obligations in engaging with tāngata whenua and mana whenua, including by identifying what is working well and any key challenges;

[1] We provide a description of Te Tiriti o Waitangi obligations relevant to council in part 3 of this report under 'legislative obligations'.

(d) in particular, review the effectiveness of existing council mechanisms that provide for Māori participation (including Te Ruarangi); and

(e) provide further recommendations in light of the above.

1.10 We also worked with council staff and MTAG to develop the process for the stage two health check as follows:

(a) review relevant council documentation provided by council staff and other relevant information on the council website;

(b) conduct workshops with the following groups to obtain their feedback on the council's implementation of the recommendations in the stage one report, the Tāiki ē strategy, and the council's Te Tiriti o Waitangi obligations more broadly:

(i) elected members;

(ii) Te Ruarangi;

(iii) MTAG;

(iv) council's ELT; and

(v) other key council staff, including

(1) Te Kāhui Hautū o Te Tiriti o Waitangi (Te Tiriti steering group); and

(2) Te Tiriti partnerships and engagement team;

(c) prepare a draft report summarising our findings and setting out recommendations;

(d) present the draft report to Te Ruarangi and elected members and consider any feedback provided; and

(e) prepare the final report.

1.11 The workshops conducted as part of stage two were an essential part of this assessment. The approach taken to these workshops was not formulaic, rather, the workshops asked participants for feedback on the council's implementation of the recommendations in the stage one report, the Tāiki ē strategy, Te Tiriti obligations more broadly, what is working well, and what some of the challenges and opportunities are. We found the workshops insightful and thank the participants for their contributions to this process.

1.12 We also note that, although this report is focused on the council, there are also council-controlled organisations / entities, whose functions are significant for Te Taitokerau communities. As such, the findings and recommendations in this report will also be relevant to, and will need to be considered by, those organisations / entities.

Report structure

1.13 To reflect the structure of our workshops and the stage one report, our report addresses:

(a) **Part One**: Introduction

(b) **Part Two**: Stage one report and recommendations

(c) **Part Three**: Te Taitokerau context/current state of relationship

(d) **Part Four**: Progress against the recommendations in the stage one report

(e) **Part Five**: What is working well?

(f) **Part Six**: What are the challenges / opportunities?

(g) **Part Seven**: Recommendations.

1.14 We recognise and understand that Te Tiriti health check, and this report, is just one part of the journey of the relationship between council and Te Taitokerau Māori.

2. PART TWO: STAGE ONE REPORT AND RECOMMENDATIONS

2.1 The stage one Te Tiriti health check was undertaken in 2022, and the report was finalised on 23 September 2022.

2.2 The stage one process included conducting various workshops, reviewing relevant council documentation and addressing six priority areas identified by MTAG.

2.3 The report itself was structured as follows:

(a) Te Taitokerau context

(b) What is the current state of the relationship between Māori and the council?

(c) What is working well?

(d) What are the challenges/opportunities?

(e) Recommendations.

2.4 These are summarised briefly below, including how these matters are relevant to the stage two process and this report.

Te Taitokerau context in 2022

2.5 The stage one report reflected on the importance of understanding the unique context of the area serviced by the council. A brief summary was provided of this unique context at that time, including the population structure and demographics, iwi and hapū rangatiratanga, and the history and relevance of He Whakaputanga and Te Tiriti o Waitangi together as well as of Treaty settlements. In summary, the report recorded the following:

(a) Māori make up a higher percentage of the population in Northland than in New Zealand generally (at that time, 36 percent in Northland, in comparison to 16.5 percent in New Zealand).

(b) Within the Northland region, there are a number of different collectives of iwi and hapū who held and continue to hold rangatiratanga – hapū autonomy remains an important and distinct feature of the Northland region.

(c) By He Whakaputanga, rangatira from Te Taitokerau declared their own independence and the independence of their country, and asserted their own sovereignty, independent of any other purported law-making power. While He Whakaputanga is not referenced in Te Tiriti, the two documents together are an essential statement on the sovereignty of Māori in Northland.

2.6 The unique context of Te Taitokerau has not changed since the stage one report, and remains equally important. This has been considered in our stage two assessment and report. This is addressed in part 3 of this report (including updated statistics from the 2023 Census).

How did the stage one report describe the current state of the relationship between Māori and the council at that time?

2.7 In summary, the stage one report found the following:

(a) **Legislative context:** There is no one coherent framework of statutory obligations for the relationship between Māori and local government; rather, discrete obligations have been developed on a statute-by-statute basis and are framed in different ways. The inconsistencies and gaps can present challenges for Māori and councils.

(b) **Governance and relationship structures**: The report summarised the governance and relationship structures in place at that time.

(c) **Strategic direction**: The report also provided an overview of planning and other documents that had started to shape the strategic direction for the relationship between Māori and the council, such as Tāiki ē.

2.8 These matters remain relevant and have been considered as part of the stage two process and this report. There have been some developments in relation to these matters since the stage one report was finalised. This is addressed in part 3 of this report.

2.9 The stage one report also provided an assessment of the council's performance against six competencies identified in a framework prepared by Te Arawhiti. These competencies have not been assessed again during this stage two process, rather, the focus has been on progress in implementing the initial stage one recommendations.

What did the stage one report conclude is working well?

2.10 The stage one report found that the partnership was in a strong place relative to many of the iwi/hapū and local authority relationships across the country. However, it was also acknowledged that there is still a long way to go on the journey and more to do.

2.11 The stage one report highlighted some very positive aspects of the partnership between council and tāngata whenua that were communicated during the workshops held for stage one. In summary, the report found:[2]

(a) The relationship had developed significantly since 2014.

(b) There had been a huge amount of work going on from both partners to support and develop the partnership.

(c) There was a genuine desire emerging in the leadership structure of council to take the next step in the partnership journey, to better understand and embrace Te Tiriti, He Whakaputanga, and tikanga Māori and to deliver something meaningful. There was also strong commitment from the leadership of iwi and hapū.

(d) There were very positive structures in place to support the partnership. We heard positive comments about the valuable role that TTMAC had played as well as a number of other structures and committees which had been designed to move closer to a partnership approach.

(e) There had been excellent work done on Tāiki ē on the back of TTMAC's strategic intent document. We found that Tāiki ē was an impressive document that was co-designed through a series of workshops where robust discussions were had, and clear actions and

[2] See para 4.2.

accountability/timeframes and budgetary matters were identified. In summary, it was clear to us at that time that there was already a clear plan in place to implement Tāiki ē.

(f) The role of the Pou Manawhakahaere (group manager governance and engagement) was considered very valuable and to help guide the council.

2.12 We have reflected on these findings as part of this stage two process. Overall, our findings are very similar to those we recorded in stage one. We expand on what we heard is working well in part 5 of this report.

What did the stage one report identify as the challenges/opportunities?

2.13 The stage one report also identified a number of challenges and opportunities for the relationship between council and tāngata whenua. In particular, the report identified:[3]

(a) The importance of continuing to support a culture shift and increasing staff capability and capacity in Te Tiriti and te ao Māori.

(b) The importance of the council understanding the Māori tribal landscape and the need to protect and safeguard Māori representatives in council structures.

(c) The importance of ensuring governance and operations align within council.

(d) The need to consider the trajectory of the relationship over the long-term, noting that while significant progress had been made, there was still a long way to go.

(e) An opportunity to consider the delegation of decision-making to Māori and co-designing frameworks.

(f) The significant challenge of funding and resourcing to support delivery of Te Tiriti obligations.

(g) There can be legislative uncertainty as to what can be achieved in the partnership.

(h) There were sometimes challenges with information not being shared in a timely or efficient manner.

2.14 We have reflected on these findings during this stage two process. We have found that these challenges/opportunities remain relevant today, although there have also been some developments that have addressed (at least in part) these challenges/opportunities since the stage one report was completed.

Recommendations

2.15 In the stage one report, 14 specific recommendations were made. These recommendations broadly related to:

(a) further development and understanding of the partnership;

(b) implementation of Tāiki ē;

(c) resourcing and funding;

(d) engagement and consultation;

(e) building capability and capacity within council;

[3] See para 5.2.

(f) treatment of mātauranga Māori; and

(g) consideration and granting of resource consents.

2.16 In addition, it was also recommended that the stage one report and its recommendations be presented to the incoming council. We understand that the stage one report was received by the outgoing council along with a recommendation for the incoming council to adopt it and implement its recommendations.

2.17 In part 4 of this report, we provide a high-level summary of the progress that has been made against these recommendations. This should be read alongside parts 5 and 6, which provide a thematic summary of what we heard is working well and what the challenges are, and which provide further detail.

3. PART THREE: TE TAITOKERAU CONTEXT – UPDATES SINCE 2022

3.1 As noted above, the stage one report addressed Te Taitokerau context, including by providing an overview of the governance structures and relevant policy and planning documents. This section builds on that part of the stage one report and identifies the key developments in those areas since the stage one report was completed. This is based on our review of relevant documentation, together with feedback received at workshops.

Te Taitokerau context

3.2 The 2023 census shows that the Māori population in the Northland region continues to grow. The 2023 census found that the overall population of Northland was over 194,000, and 77,475 (or 39.9 percent) of that population were Māori. Comparatively, the 2023 census found that Māori make up 17.8 percent of the total population of the country.[4]

3.3 As set out in the stage one report, He Whakaputanga is a key document that provides context for the relationship between iwi and hapū and government agencies in Northland. By He Whakaputanga, rangatira from Te Taitokerau declared their own independence and asserted their own sovereignty. This document, along with Te Tiriti o Waitangi, is an essential statement of sovereignty of Māori in Northland. The Waitangi Tribunal found that Te Taitokerau rangatira did not cede sovereignty to the Crown at the time they signed Te Tiriti[5] and we understand that Taitokerau Māori continue to maintain that they have not ceded their sovereignty to either central or local government.

3.4 While this health check focuses on consideration of Te Tiriti, we recognise the importance of He Whakaputanga as a formal statement of the sovereignty and unity of rangatira in Te Taitokerau. We also acknowledge its essential relevance to the unique context of Taitokerau and have taken this into account in our assessment.

3.5 There are a number of different collectives of iwi and hapū who held and continue to hold rangatiratanga in Northland. Te Puni Kōkiri has identified 12 iwi whose takiwā fall, either partially or wholly, within the region. These are Ngāi Takoto, Ngāpuhi, Ngāpuhi / Ngāti Kahu ki Whaingaroa, Ngāti Kahu, Ngāti Kahu ki Whangaroa, Ngāti Kurī, Ngati Whātua, Ngātiwai, Te Aupōuri, Te Rarawa, Te Roroa and Te Uri o Hau.[6]

3.6 The context in Northland is underpinned by strong rangatiratanga at the hapū level. We understand that there are more than 300 hapū in the region exercising their own separate autonomy.

3.7 Some iwi and hapū have settled their historical Treaty of Waitangi claims against the Crown through deeds of settlement and consequent settlement legislation. There are also iwi and hapū groups who have not yet settled their historical Treaty claims with the Crown, including Ngāti Kahu, Ngāpuhi and Ngātiwai. Since the stage one report, no further Treaty settlement deeds have been entered into in the region. However, we understand that on 15 July 2025, the Crown recognised the mandate of Te Whakaaetanga Trust to enter into negotiations with the Crown for the settlement of

[4] As noted above, the earlier census results were that Māori comprised 36 percent of the Northland population in Northland, and 16.5 percent of the New Zealand population.
[5] Waitangi Tribunal *He Whakaputanga me te Tiriti* (Wai 1040, 2014) at 2.
[6] Te Kāhui Māngai, Directory of iwi and Māori organisations (TKM | Regional Authority | Northland Regional Council | Te Kahui Mangai).

the historical Te Tiriti o Waitangi/Treaty of Waitangi claims of ngā hapū Te Whakaaetanga.[7] This includes four Ngāpuhi hapū groupings: Ngāti Manu (and their associated hapū Te Uri Karaka and Te Uri o Raewera), Patukeha, Ngāti Kuta, and Ngāti Torehina ki Matakā.[8]

3.8 The relevant Treaty settlement legislation includes:

(a) Te Uri o Hau Claims Settlement Act 2002;

(b) Te Roroa Claims Settlement Act 2008;

(c) Te Rarawa Claims Settlement Act 2015;

(d) Te Aupouri Claims Settlement Act 2015;

(e) NgāiTakoto Claims Settlement Act 2015;

(f) Ngāti Kuri Claims Settlement Act 2015; and

(g) Ngātikahu ki Whangaroa Claims Settlement Act 2017.

3.9 There are also several Marine and Coastal Area (Takutai Moana) Act 2011 (**Takutai Moana Act**) applications within the Northland region and some of these have proceeded to hearing stage. In particular, applications in relation to the Whangarei Harbour and Coast were heard in 2024 and a decision is expected imminently. Looking ahead, there are further hearings set down in other parts of Northland region out to 2027. If these hearings confirm that the tests for customary marine title and/or protected customary rights are met under the Takutai Moana Act, the relevant applicant groups will have important rights under the Takutai Moana Act and related legislation, including, importantly for local government, the Resource Management Act 1991 and Local Government Act 2002.

Legislative context

3.10 Local government operates in a complex legislative environment, where Te Tiriti o Waitangi and its principles is relevant in a number of different ways.

3.11 There is no one coherent framework of statutory obligations for the relationship between Māori and local government. Rather, discrete statutory obligations have been developed on a statute-by-statute basis over many years, and they are framed in different ways depending on the statute in question.

3.12 These statutory obligations arise under a range of statutes, including:

(a) local government legislation (such as the Local Government Act 2002 (**LGA**));

(b) planning and environmental legislation (such as the Resource Management Act 1991 (**RMA**));

(c) Treaty settlement legislation;

(d) customary rights legislation (such as the Takutai Moana Act); and

(e) other legislation (such as the Reserves Act 1977).

[7] Te Tari Whakatau website (Te Tari Whakatau - Te Whakaaetanga).
[8] Te Whakaeetanga Deed of Mandate (Te-Whakaaetanga-Trust-Deed-of-Mandate-July-2025.pdf).

3.13 There are also other obligations to Māori that arise, for example, under the RMA national policy statements such as the New Zealand Coastal Policy Statement 2010 or the National Policy Statement for Freshwater Management 2020 (**NPSFM**).

3.14 The specific legal obligations on the council vary depending on the statute and context, and those differences are important. Obligations may focus on (for example):

(a) Te Tiriti o Waitangi / the Treaty of Waitangi;

(b) recognition of tikanga Māori, values, culture and traditions;

(c) understanding of tikanga and mātauranga Māori;

(d) customary rights (for example in the Takutai Moana Act context);

(e) participation for Māori in local authority decision-making;

(f) recognition of areas or resources of particular significance to Māori; and

(g) processes such as consultation.

3.15 Although the legislative environment is complex, what is clear is that Te Tiriti o Waitangi and its principles are an important part of that legislative environment. For example, in order to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi, the LGA includes provisions that are intended to facilitate the participation by Māori in local authority decision-making processes.[9] The RMA places a direct responsibility on councils, when performing functions under that Act, to take account of the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).[10]

3.16 Since the stage one report, there have not been significant changes to the statutory obligations to Māori, but there have been a number of reforms and proposals that potentially impact the relationship between Māori and councils. These include:

(a) proposed reforms to the RMA and LGA;

(b) the introduction of the Fast-track Approvals Act 2024;

(c) proposed amendments to the NPSFM; and

(d) proposed new national direction relating to infrastructure, development and the primary sector.

3.17 As the legislative framework continues to evolve, it will be important for councils to continue to work with iwi and hapū to understand what that framework means for the relationship, including the opportunities available to further develop partnerships, as well as any constraints.

Governance structure

3.18 As set out in the stage one report, the governance structure for the council is made up of:[11]

(a) a full council comprising of nine elected councillors (as the ultimate decision-making body for council matters) who represent the following constituencies: Te Raki Māori, Far North, Mid

[9] Local Government Act 2002, section 6.
[10] Resource Management Act 1991, section 8.
[11] Northland Regional Council "Council and committees" Council and committees - Northland Regional Council

North, Kaipara, Bay of Islands-Whangaroa, Coastal Central, Whangārei Central and Coastal South;

(b) joint committees;

(c) committees; and

(d) working parties.

3.19 Māori are represented at different levels of this governance structure through the following mechanisms:

(a) The full council includes two councillors elected from Te Raki Māori, which is the council's Māori constituency, and which was established following the 2022 local body elections. Two of the nine councillors are from this constituency. In 2024, the council voted to retain its Māori constituency. The council is required to hold a poll on whether this constituency should be retained under the Local Government (Electoral Legislation and Māori Wards Constituencies) Amendment Act 2024.

(b) At the joint committee level, there is representation for Māori on:

(i) Te Oneroa-a-Tōhe Board, which was established through Treaty settlements and is a joint committee for the management of Te Oneroa-a-Tōhe (90 Mile Beach). The Board includes four members appointed by iwi, two members appointed by the council and two members appointed by the Far North District Council.

(ii) The Joint Climate Change Adaptation Committee, which is a standing committee made up of elected members from the council as well as the territorial authorities within the region and representatives of Northland hapū and iwi. The committee's role includes providing direction and oversight of the development and implementation of climate change adaptation activities by local government in Te Tai Tokerau.

(iii) The Kaipara Moana Remediation Joint Committee, which is a joint committee established by the council and Auckland Council in partnership with Kaipara Uri (the relevant iwi of Kaipara Moana). The purpose of the committee is to carry out decision-making in relation to the allocation of funds for the Kaipara Moana remediation programme. It comprises of six members appointed by Kaipara Uri, three members appointed by the council and three members appointed by Auckland Council.

(c) At the committee level, there is representation for Māori on:

(i) The Infrastructure Committee, which includes two independent tāngata whenua members. The purpose of this committee is to oversee planning and delivery of infrastructure and related work programmes.

(ii) The Audit and Risk Committee, which includes two independent tāngata whenua members. The purpose of this committee is to manage risk, financial performance and health and safety.

(iii) The Investment Committee, which includes one independent tāngata whenua advisor. The purpose of this committee is to monitor and improve the performance of the council's investment portfolio.

(d) At the working party level, there is representation for Māori through:

(i) Te Ruarangi, which was previously known as Te Taitokerau Māori and Council Working Party (or TTMAC) but has been renamed since the stage one review. This is a key mechanism that provides for Māori participation and is discussed further below.

(ii) Natural Resources Working Party. This working party includes four members from Te Ruarangi. Its purpose includes providing oversight on council's resource management planning and regulatory activities.

(iii) Biosecurity and Biodiversity Working Party. This working party includes four members from Te Ruarangi. Its purpose includes to provide oversight on council's biosecurity and biodiversity activities.

3.20 In addition, to the above, we also heard about the following groups:

(a) Māori Technical Advisory Group (MTAG). This is a subgroup of Te Ruarangi and provides technical advice and guidance to the non-elected members of Te Ruarangi (iwi and hapū representatives).

(b) Tāngata Whenua Water Advisory Group. This group is made up of tāngata whenua technical experts with a wide range of freshwater kaitiaki experience and expertise. It was established by the council in 2020 on the recommendations of TTMAC (now named Te Ruarangi) and is focused on the recognition and provision for tāngata whenua rights, interests and responsibilities in relation to the council's draft freshwater plan change.

3.21 In addition to the above, it is important to note the following further bodies, which represent the iwi of Te Taitokerau and with which there is an opportunity for the council to develop strong relationships at a leadership/governance level:

(a) Te Kahu o Taonui (the Iwi Chairs Forum) was formed in 2006 as a collective of Te Taitokerau iwi chairs to create opportunities to benefit whanau, hapū and marae. The following 12 iwi are now represented in this collective: Ngātiwai, Te Rarawa, Ngāti Kuri, Te Aupōuri, Ngāti Kahu, Ngai Takoto, Te Roroa, Ngāpuhi, Kahukuraariki Trust Board, Te Rūnanga o Whaingaroa, Ngāti Hine and Ngāti Whātua.

(b) The Iwi and Local Government Agency Chief Executives Forum (**ILGACE**). We understand that the council has a regional-level relationship with iwi authority managers and chief executives through ILGACE.

3.22 The council's current long-term plan records a commitment to foster Māori participation by promoting and supporting information sharing and consultation among iwi and council in the region through both Te Kahu o Taonui and ILGACE.[12]

Strategic direction

3.23 In the stage one report we summarised relevant strategic direction provided in the following key plans and documents that have started to shape the relationship between Māori and the council. These included:

[12] Long-term plan 2024-2034, page 171.

(a) long term plan 2021-2031 (which has now been superseded by the long term plan 2024-2034);

(b) TTMAC's strategic intent 2021-2040;

(c) Tāiki ē (the council's Te Tiriti strategy and implementation plan);

(d) council policy documents, such as Te Whāriki (Māori responsiveness policy framework);

(e) mana whakahono ā rohe under the RMA; and

(f) iwi / hapū environmental management plans.

3.24 Since the stage one report, we understand the following additional or new plans and documents have been developed:

(a) long term plan 2024-2034;

(b) annual report 2024;

(c) updates to Tāiki ē to include new whainga (goals) relating to water/marine, climate crisis and economic development;

(d) various reports prepared pursuant to the actions identified in Tāiki ē;

(e) new council policies and strategies, such as the kaupapa Māori employment outcomes framework and He Toa Takitini (community engagement strategy), and operational documents such as Te Puna Reo (guide to using Te Reo Māori); and

(f) new documents developed by non-council organisations, which the council has formally endorsed in some way, such as Te Rerenga (Taitokerau economic wellbeing pathway).

3.25 We have set out a brief summary of these documents below, including relevant updates since our stage one report was completed.

Long term plan 2024-2034

3.26 The long-term plan 2024-2034 includes a section on 'He kaupapa here mō te oho rangapū ā-Tiriti me te Māori / Policy on Te Tiriti Partnerships with Māori'. This section is provided in te reo Māori and English and describes the unique context in Te Taitokerau, including having a higher proportion of Māori in Aotearoa and being the place for the signing of He Whakaputanga. The plan records a clear commitment regarding Te Tiriti as follows:[13]

> "Cognisant of this history and legacy, council commits to have regard in its work to the rights and interests of Māori under Te Tiriti, and to consider the relevance and application of Te Tiriti and / or its principles as prescribed in relevant legislation and national policy statements".

3.27 The plan also records that "*with statutory obligations to empower Māori to participate in local government processes, a key focus area for council is fostering meaningful partnerships with tāngata whenua under Te Tiriti".*[14]

[13] Long-term plan, page 169.
[14] Long-term plan, page 170.

3.28 The plan sets out a number of actions that the council has committed to carry out in order to strengthen Te Tiriti partnerships and foster Māori participation in council processes, including:[15]

(a) continue to prioritise and deliver on Tāiki ē;

(b) ensure that council's governance structures reflect a commitment to Māori representation and independent tāngata whenua experts;

(c) continue to support and resource the operation of Te Ruarangi, MTAG and the Tāngata Whenua Water Advisory Group;

(d) promote and support information sharing and consultation among iwi and council chairs / councillors in the region through Te Kahu o Taonui and ILGACE;

(e) continually enhance the cultural competency of council staff;

(f) distribute copies of resource consent applications lodged with council to marae, hapū and iwi entities that may have an interest in the applications or be affected by those consents; and

(g) provide opportunities for Māori businesses and experts in accordance with the council's Māori services procurement policy.

3.29 The plan also includes the council's significance and engagement policy. This policy has been adopted in accordance with the requirements of the LGA.[16] The policy sets out the council's approach to engagement and includes as a guiding principle: *"continue to improve how we engage with Māori and enable input into our decisions"*.[17] This policy includes a commitment to always consider the following matters:[18]

(a) the impact on Māori and their relationship with ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga;

(b) the role of Māori as kaitiaki in their rohe; and

(c) how to engage Māori in a way that is meaningful and appropriate to them.

3.30 In addition, the plan includes specific levels of service, measures and targets for Māori participation. The measures include:[19]

(a) completion of an independent Treaty health check bi-annually;

(b) percentage of councillors and executive leadership participating in annual core cultural competency training;

(c) percentage of council employees that undertake cultural competency training;

(d) percentage of mana whakahono ā rohe agreements that meet key statutory obligations;

(e) level of satisfaction of tāngata whenua with council's relationships and partnerships;

(f) percentage of priority actions in Tāiki ē that are commenced; and

[15] Long-term plan, pages 171-172.
[16] LGA, section 76AA.
[17] Long-term plan, page 173.
[18] Long-term plan, page 174.
[19] Long-term plan, page 68.

(g) percentage of tāngata whenua environmental funding allocated to enable mātauranga Māori outcomes to inform council policy development and decision making.

Annual report 2024

3.31 The annual report 2024 records that *"as always, council remains committed to building meaningful relationships reflective of a Te Tiriti o Waitangi partnership"*.[20]

3.32 The report records that the highlights of 2023/24 include:

(a) council unanimously adopting the newest iteration of Tāiki ē in April 2024;

(b) signing new mana whakahono ā rohe;

(c) entering into a relationship agreement with Ngā Kaitiaki o Te Roto Ōmāpere to establish a formal working relationship between the iwi and council;

(d) supporting hāpori Māori climate change resilience

(e) submitting in opposition to signalled changes for Māori seats on council;

(f) bringing together tāngata whenua, local government, government agencies and various organisations to raise awareness of water related reforms and projects and policy developments;

(g) the re-establishment of TTMAC; and

(h) building capability and capacity.

TTMAC's strategic intent 2021-2040

3.33 In our stage one report, we noted that a critically important document developed by TTMAC is the strategic intent 2021-2040. We have attached a copy of this document as **Appendix Two**.

3.34 TTMAC developed the strategic intent which sets out:

(a) te kaupapa / mission "*He iwi tahi tatou kia ora ai te taiao – Kāwanatanga and rangatiratanga work together for the wellbeing of the environment*";

(b) te pae tawhiti / vision *"He whenua haumoko, He wai mā, He iwi whai ora – Land that is bountiful, water that is pure and healthy, people that are flourishing"*

(c) ngā whainga / desired goals for:

(i) capacity and capability;

(ii) Māori representation;

(iii) water/marine;

(iv) climate crisis; and

(v) economic development; and

(d) ngā tikanga / values, including:

(i) titiro atu ki ngā taumata o te moana – always remain strategic in our intent;

[20] Annual report, page 5.

(ii) mahi tahī tutuki noa – identifying opportunities, increased collaboration, and completion of projects;

(iii) me whakatau mā roto i te kōrero – resolution through conversation;

(iv) kaitiakitanga – dedicated stewardship of tāngata whenua of Te Taitokerau; and

(v) ngākau pono – being true to the purpose of the partnership.

3.35 The TTMAC strategic intent formed the basis for Tāiki ē which is discussed below.

3.36 We also understand that the strategic intent has shaped the terms of reference for Te Ruarangi, including, for example, ngā tikanga are set out as the engagement principles which will guide the committee in pursuit of its purpose.

Tāiki ē (Te Tiriti strategy and implementation plan)

3.37 Tāiki ē is a jointly agreed strategy of the council and Te Ruarangi. Its purpose is to provide a clear roadmap towards giving effect to Te Tiriti obligations and making the council and Te Ruarangi accountable in achieving them. As we recorded in the stage one report, Tāiki ē was endorsed by TTMAC (now Te Ruarangi) on 14 July 2022 and was initially adopted by the council on 26 July 2022. Tāiki ē was updated in 2023 to include actions for water, marine, climate crisis and economic development. In April 2024 the council adopted the latest iteration of Tāiki ē.[21]

3.38 Te Ruarangi's strategic intent (refer above) is a core component of the Tāiki ē document. In particular, Tāiki ē sets out the kaupapa (mission), te pae tawhiti (the vision); ngā tikanga (the values); and ngā whainga (desired goals) as set out in the strategic intent document. Thirty-one specific actions have then been identified in pursuit of ngā whainga (desired goals).

3.39 As recorded in the stage one report, the actions identified in Tāiki ē are significant and broad ranging – from actions at the strategic / overarching framework level to the development of tools and resources 'on the ground'. By way of example, some of the actions include to:

(a) establish the Te Tiriti health check and review framework (part of which includes the carrying out of this independent review);

(b) continue to develop Tāiki ē;

(c) support and increase uptake of iwi and hapū environmental management plans and mana whakahono ā rohe;

(d) develop and fund culturally appropriate council environmental monitoring programmes;

(e) deliver specific projects within agreed priority areas of interest;

(f) develop and embed a cultural awareness and competency framework for councillors, staff and relevant consultants;

(g) invest in building tāngata whenua capacity and capability;

(h) develop and maintain a digital tāngata whenua contacts database that spatially identifies indicative iwi and hapū rohe boundaries;

[21] Northland Regional Council "Tāiki ē: Te Tiriti strategy and implementation" Tāiki ē: Te Tiriti strategy and implementation plan - Northland Regional Council

(i) ensure the successful and ongoing implementation of Māori constituencies; and

(j) review council procurement policies and processes and ensure there are fair and equal opportunities for tāngata whenua consultants and contractors to obtain council contracts.

3.40 On 8 May 2025, the latest 'Tāiki ē – report on priority actions' was received by Te Ruarangi. The purpose of these reports, which we understand are provided bi-monthly to Te Ruarangi, is to provide regular updates on progress on the 31 actions in Tāiki ē. The report also sets out the ranking of the actions by priority according to their ability to give effect to te kaupapa / mission statement in TTMAC's strategic intent document.

3.41 This report highlighted that:

(a) one action has been completed (action 26: long-term plan / annual plan);

(b) 28 actions are on track to being completed (meaning all tasks and milestones are being completed on time and within scope); and

(c) two actions *"need attention"* (action 29: sustainable economic development and action 30: marine protection and development).

3.42 In addition to the above, a number of reports have been commissioned pursuant to the strategic direction and actions identified in Tāiki ē. These include:

(a) The Tāiki ē – regulatory services review – resource consent process report was prepared for the council and Te Ruarangi in June 2024. It was endorsed by Te Ruarangi on 11 July 2024 and subsequently approved by the Audit, Risk and Finance Committee. The purpose of the report is to review the council's resource consenting processes and identify areas for improvement. It was developed in consultation with iwi and hapū representatives and sets out the challenges from both iwi and hapū perspectives and the council's perspective. The report sets out key areas for improvement at all stages of the resource consent process. To further the recommendations within the report, we understand a 12-month action plan has also been prepared by council.

(b) The Hāpori Māori (Māori communities) Te Taitokerau resilience action plan was endorsed by Te Ruarangi on 12 September 2024. Its purpose is to enhance community resilience for Hāpori Māori throughout the region. The plan sets out three aspects of resilience including, everyday resilience, resilience in emergencies and climate adaptation.

Council documents

3.43 There are a range of policies, strategies and operational documents that have been developed by the council. These include the following:

(a) Te Whāriki (Māori responsiveness policy framework) was developed in 2019. As we recorded in the stage one report, the purpose of Te Whāriki is to *"influence, enhance and guide the council's responsiveness to Māori"*.

(b) He Toa Takitini (community engagement strategy) was adopted in 2024. The strategy's purpose includes to increase and improve engagement with the communities of Northland. The strategy is portrayed as a whāriki (woven mat) supporting the core idea of *"kia manahau hei tiaki".* This idea speaks of mutual respect for the taiao and for each other and being able

to withstand changes and challenges together. The strategy draws on te ao Māori principles and aims to includes Māori voices, values and leadership in the way council communicates and engages.

(c) Te Puna Reo (guide to using te reo Māori) was presented to the council on 28 November 2023. This guide acknowledges that te reo Māori is a taonga tuku iho and sets out the council's commitment to upholding and promoting te reo Māori me ōna tikanga and to encouraging its use across the council's communications.[22] The guide provides a range of information about mihi, whakataukī / whakatauakī, when it is appropriate to use te reo Māori and Māori designs, different dialects, translations and further Māori language resources.

(d) The kaupapa Māori employment outcomes framework was approved by ELT on 11 March 2025. The framework records that the council is committed to working in partnership with iwi and hapū in its rohe and delivering effectively for Māori. The framework sets out three intertwined strategic goals including to increase Māori representation in council's workforce; to understand and value Māori expertise; and to create a workplace where people are at home in te ao Māori.

3.44 Another document referred to us is Te Rerenga (Taitokerau economic wellbeing pathway). This is not a council document but a strategy developed by Northland Inc. This is an aspirational strategy that was endorsed as the key strategy for advancing economic development in the region by the council on 27 August 2024. This strategy was developed in collaboration from various groups in the community including iwi / Māori. It is focused on achieving a wellbeing economy and sets out three focus areas: environment, people and economy. The strategy has a section on 'He Whakaputanga me Te Tiriti o Waitangi' and records that *"our collective responsibility to Te Tiriti o Waitangi can be achieved through each of these focus areas …"*.[23] At a Te Ruarangi hui earlier this year, it was agreed that this strategy *"provides a good basis of our economic approach and has strong Te Tiriti foundations within it and safeguards to guide decision making and collaboration"*.

Mana whakahono ā rohe

3.45 In the stage one report we recorded that the council had entered into two mana whakahono ā rohe with Te Patuharakeke Iwi Trust Board and Te Rūnanga o Ngāti Rēhia.

3.46 Since the stage one report was completed, two further mana whakahono ā rohe have been entered into:

(a) Te Pouwhenua o Tiakiri Kukupa Trust on behalf of Te Parawhau; and

(b) Te Rūnanga o Ngāti Hine on behalf of Ngāti Hine Iwi.

Iwi / hapū environmental management plans

3.47 In the stage one report we recorded that there were 14 iwi/hapū environmental management plans that had been developed and recognised by an iwi authority and formally lodged with the council.

3.48 There are now 18 iwi/hapū environmental management plans listed on the council's website[24] and we understand further are under development.

[22] Te Puna Reo, page 4.
[23] Te Rerenga, page 5.
[24] As noted on the Council's website: Plans held by council - Northland Regional Council

Specific projects and initiatives that provide for Māori participation

3.49 Through the documentation review, we noted a number of specific council projects and initiatives that have provided for Māori participation. A number of these were referred to in workshops with council and iwi/hapū representatives. Some of the significant examples that were referred to are summarised below.

Te Wānanga Waiora

3.50 The second Wānanga Waiora was held at the Waitangi Treaty Grounds Tahuaroa Function Centre on 26 March 2025. This event provided an opportunity for Te Taitokerau kaitiaki and hapū to come together and share te mātauranga o te taiao (knowledge of the environment) with a range of other stakeholders. The event was hosted by Whangaroa Taiao Ltd with support from the council. The purpose of the event was for *"kaitiaki and convenors to foster kotahitanga (unity in purpose) and provide a measurable tool for understanding the relationships between wai and kaitiaki (guardians, trustees), as well as NRC's operational capability and positive outcomes with tāngata whenua".*[25]

3.51 We understand that presentations were given by iwi and hapū representatives and the event concluded with a guest panel of experts and representatives from the council (including the deputy chair and chief executive), iwi and hapū and the Far North District Council.

3.52 The wānanga was reported to be a great success and received positive feedback from attendees.

3.53 This wānanga was identified by council as an example of receiving positive acknowledgement and appreciation from iwi and hapū for the way the council is actively partnering with iwi and hapū on the ground.

Flood mitigation project

3.54 The flood mitigation work is an example of partnership between the council and iwi and hapū. This involved collaboration between council and Māori, including raising awareness amongst kaumatua and tamariki and providing jobs for iwi and hapū.

3.55 One of the landowners involved in this project gave strongly positive comments about the council's role in this project and said that "*they need to be an example for every other regional council around New Zealand, they empowered us as the landowners, as the people from here, they empowered us to be a part of this project."*[26]

3.56 The Otiria spillway project is a partnership between the local community and council to restore the Otiria and Waiharakeke streams' natural flows by replacing the existing bridge with a new single-lane bridge. A local kaitiaki involved in the project said that the project has "*demonstrated and shown us what a true partnership looks like from a hapu mana whenua point of view when referring to Te Wakaputanga 1835 & Te Tiriti o Waitangi 1840*".[27]

3.57 We received feedback from an elected member that this work (particularly in relation to the Otiria spillway project) is an example of the council showing national leadership in terms of working with iwi and hapū landowners and building trust with them.

[25] Wānanga Waiora – report and presentation (2 May 2025).
[26] Flood Mitigation Project – Additional benefits to the community Flood Mitigation Project - Additional Benefits To The Community
[27] Resilient Rivers "Otiria Spillway Project" Otiria Spillway Project - Northland | Resilient River Communities

Biosecurity response

3.58 The council has partnered with mana whenua, Biosecurity New Zealand and other partners to work together to prevent and control the spread of exotic caulerpa.[28] This can spread rapidly and presents a risk to recreational, cultural and commercial marine activities. A controlled area notice has been put in place in Te Rāwhiti Inlet with legal restrictions placed on some boating and fishing activities. Mana whenua have placed a rāhui on this area with the same restrictions. The council and mana whenua are also planning trials of suction dredging in the Te Rāwhiti inlet.

3.59 We received feedback from elected members that the response to caulerpa has been successful due to the collaboration between council and iwi.

[28] Northland Regional Council "Exotic Caulerpa" Exotic caulerpa - Northland Regional Council

4. PART FOUR: PROGRESS AGAINST THE STAGE ONE RECOMMENDATIONS

4.1 In the stage one report, 14 specific recommendations were made. These recommendations broadly related to:

(a) further development and understanding of the partnership;

(b) implementation of Tāiki ē

(c) resourcing and funding;

(d) engagement and consultation;

(e) improving the cultural awareness and competency of council;

(f) treatment of mātauranga Māori; and

(g) consideration and granting of resource consents.

4.2 We received feedback during the workshops that there has been substantial progress, however, there remains more to be done.

4.3 In parts 5 and 6 of this report we provide a summary of what we heard is working well and what the challenges are during this stage two process. This summary overlaps with a report on progress against the recommendations in the stage one report. Therefore, this part of the report provides a high-level summary of progress against the recommendations in the stage one report and more detail is provided in the following parts 5 and 6 of this report.

Further development and understanding of the partnership

4.4 Our stage one report included a number of recommendations as to how the council, iwi and hapū could consider and further develop the partnerships between them. This included considering what partnership means, developing a plan to move closer to partnership, considering where the partners can work together on issues of shared concern, and considering further the type of partnership that is enabled under the current statutory regime.

4.5 We consider this matter is particularly relevant to the formal structures in place within council to provide for Māori participation. In particular, this is relevant to the role of Te Ruarangi. It is also relevant to the approach that council takes to its engagement on projects and initiatives. We comment further on these matters in parts 5 and 6 below.

4.6 In summary, we heard that Te Ruarangi is a powerful and respected mechanism that provides the opportunity for a relationship that reflects genuine partnership. However, we also heard that Te Ruarangi does not currently embody true partnership. We consider, there is significant potential in Te Ruarangi to move closer to a partnership relationship, if the partners commit to this.

4.7 In terms of how council engages on projects and initiatives, we heard of several very positive examples where the council had worked very closely with iwi and hapū, in a spirit of partnership, and that had delivered significant benefits for both council, iwi, hapū and the broader community. However, there remain inconsistencies in how council approaches engagement.

Implementation of Tāiki ē

4.8 Our stage one report recommended that Tāiki ē should continue to be implemented. This has been addressed above in part 3 and is further discussed in in parts 5 and 6 below. In summary, it is clear that an enormous amount of work has been done to implement Tāiki ē. We understand that out of the 31 actions in the strategy, one has been completed and 28 are on track to being completed on time.

4.9 We received feedback that Tāiki ē is an enduring strategy that is driving meaningful change, and which is delivering positive outcomes for council, iwi, hapū and the broader community. In particular, we received feedback that the specific actions and targets provided within Tāiki ē were helping to drive change and helping to ensure accountability against commitments.

Resourcing and funding

4.10 In stage one, we recommended that resourcing of iwi and hapū is carefully considered. In this stage two, we have heard that considerable investment has been made, including an additional $250,000 for the implementation of Tāiki ē; an increase in tāngata whenua environmental monitoring funds of $100,000; and the creation of four new positions within Te Tiriti partnerships and engagement team. We also heard though that resourcing continues to be a challenge, particularly for iwi and hapū. We comment on this further below in parts 5 and 6.

Engagement and consultation (including in relation to resource consents)

4.11 In stage one, we included a number of recommendations about how the council could improve its approach to engagement and consultation, including in relation to resource consents. In this phase, we heard of several positive examples where engagement had gone well. However, we also heard there are inconsistencies and opportunities for further improvement. This is discussed in further detail in parts 5 and 6.

Improving the cultural awareness and competency of council

4.12 In stage one, we made a number of recommendations about how the council could improve its cultural awareness and competency, including through consideration of recruitment processes and development of Te Whāriki. In this stage two, we heard that there has been a noticeable improvement in this area, but there remains more to do.

Treatment of mātauranga Māori

4.13 We recommended that the council develop a framework for the identification and treatment of mātauranga Māori within council operations. This is not a matter that was covered in great detail in our workshops, and so we do not address it further in this report. However, we acknowledge that the long-term plan 2024-2023 records a commitment to enhancing and enabling mātauranga Māori outcomes to inform policy development and decision making.[29] We also acknowledge specific feedback provided that the council has been working closely with iwi and hapū in considering its responses to proposed legislative and policy changes, and that has enabled the council to reflect te ao Māori concepts and values in some of its submissions.

[29] Long-term plan, page 68.

Resource consent processes

4.14 We recommended that work was carried out to understand the issues of concern to Māori in the council's resource consenting processes. There has been significant work completed in relation to this matter, which we discuss in further detail in parts 5 and 6 below.

5. PART FIVE: WHAT IS WORKING WELL?

Overarching comments

5.1 This part 5 of the report records what we heard is working well during this stage two review process.

5.2 Our comments about what is working well need to be viewed in the context of both the history of the relationship between local authorities and iwi/hapū in Aotearoa and Te Taitokerau, and the fact that there is a long way still to go to achieve genuine partnership in a way that reflects and respects Te Tiriti, He Whakaputanga, and the mana and rangatiratanga of iwi and hapū.

5.3 Subject to that overall comment, the following key themes emerged through our workshops and documentation review about what is currently working well and where there has been meaningful improvement in the relationship between council and Māori:

(a) Tāiki ē remains a crucial document and is driving meaningful change and improvement.

(b) Te Ruarangi continues to be a very important forum and continues to foster and strengthen positive working relationships between council, iwi and hapū.

(c) There has been a noticeable improvement in the cultural competency of council staff.

(d) There are several examples of projects/initiatives that have been helpful in developing relationships and supporting the partnership between the council, iwi and hapū.

(e) There is still strong support among leadership both at councillor, ELT and iwi/hapū level for embedding respect for Te Tiriti into council's practices and developing strong partnerships.

(f) A huge amount of work has been carried out and this is leading to improved outcomes.

5.4 Overall, we consider that the relationship between the council, iwi and hapū remains in a strong place relative to many of the iwi/hapū and local authority relationships across the country. The dial continues to move in a positive direction. That said, there are still challenges, and there is still much more to do. In addition, legislative and policy changes create new challenges that need to be navigated. These and other challenges are addressed further in the following part 6 of this report.

Implementation of Tāiki ē

5.5 Tāiki ē was adopted in 2022 and was an important feature of the stage one report, being described as an "*impressive document*". One of the key recommendations in the stage one report, was that the implementation of Tāiki ē and its actions was supported.

5.6 Since the stage one report, we understand Tāiki ē was updated in 2023 and the latest version endorsed by council in April 2024 by unanimous vote to reflect a change in priorities.[30]

5.7 We heard that significant progress has been made in terms of progress against the actions. We understand that almost all of the 31 actions in Tāiki ē are on track in terms of achieving the relevant milestones for each action.[31] Some of the progress in relation to certain actions was discussed during the workshops, for example:

[30] Northland Regional Council Meeting Minutes, Council Meeting (23 April 2024) Minutes of Council Meeting - Tuesday, 23 April 2024
[31] The 'Tāiki ē – report on priority actions' (8 May 2025) recorded that of the 31 actions, 1 action has been completed, 28 actions are on track to being completed and 2 actions need attention.

(a) Action 4 is to support and increase the update of mana whakahono ā rohe and agreements. As noted earlier in this report, two additional mana whakahono ā rohe agreements have been entered into since we completed our stage one report. In addition, the number of iwi/hapū management plans lodged with council has also increased.

(b) Action 9 is to review, update and embed how the council delivers its regulatory services to ensure regulatory activities (eg resource consents and compliance monitoring) are undertaken in a culturally appropriate manner. As noted above in part 3, we understand that a review was carried out in 2023 and provided 11 recommendations. In order to progress these recommendations a project plan has been prepared.[32] We also understand a project manager has been appointed from the regulatory team and is progressing the actions in the plan. There has therefore been significant work carried out to further this action. We note that the draft plan sets out key milestones that are relevant to the recommendations in the stage one report, including developing guidance for selecting Māori hearing commissioners, improving iwi and hapū spatial mapping and updating the iwi and hapū database.

(c) Action 20 is to develop and maintain a digital tāngata whenua contacts database. We heard that this work has commenced and while there have been some difficult technological challenges to navigate, significant progress has been made.

5.8 The feedback we received about Tāiki ē during the workshops was very positive. We received feedback at all levels (including council staff, ELT, MTAG, Te Ruarangi and councillors) that Tāiki ē was a powerful document that was leading to meaningful change and improvement.

5.9 Particular features of Tāiki ē that were reported as important were its specificity, including the 31 specific actions. This has enabled progress against those actions to be measured and has ensured that there is accountability against those commitments.

5.10 We also received feedback that Tāiki ē was empowering staff to work in a way that is respectful of Te Tiriti and its principles because it provides a clear direction and mandate to work in that way. It therefore appears that Tāiki ē is helping to drive a culture shift within council.

5.11 Another key theme that was reported to us is that Tāiki ē has provided a clear direction that is robust and enduring and helps the council stay on track, including in the face of legislative and policy changes.

5.12 While Tāiki ē has driven significant change and improvements, this has also involved an enormous amount of work, particularly from within Te Tiriti partnerships and engagement team. We heard the commitment and workload has been significant. However, it was also reported that the strategy is starting to be better embedded throughout all parts of council, meaning that responsibility for delivering the strategy does not sit within Te Tiriti partnerships and engagement team only.

5.13 We also heard that there remain challenges with the implementation of Tāiki ē as well as opportunities to take the strategy further. We comment further on these matters in part 6 below.

[32] *Resource Consent Review 12-month Action Plan, draft project plan for TTMAC* (4 February 2024).

The importance of Te Ruarangi and other mechanisms that provide for Māori participation

5.14 In our stage one report, we commented on the importance of TTMAC. Since then, TTMAC has been renamed Te Ruarangi. We received feedback that this renaming is significant in itself and demonstrates the council's increasing desire and willingness to incorporate te reo into its practices.

5.15 Consistent with our earlier findings, we heard again during this stage two process that Te Ruarangi is an incredibly important partnership which is helping council and iwi/hapū to develop a strong and positive working relationship.

5.16 We received feedback that the relationship provided for through TTMAC / Te Ruarangi has developed and is now, generally speaking, in a stronger place then at its establishment. One participant commented that in earlier times, the atmosphere in TTMAC could be quite challenging, however, that has changed. This person commented that Te Ruarangi has helped develop trust between the parties, and this has enabled more positive discussions to take place. This strong relationship has also enabled the parties to work together on issues of shared concern, such as legislative amendments.

5.17 Another theme is that Te Ruarangi has been critical in protecting the relationship, including in the face of legislative and policy changes.

5.18 It is important to record that this feedback was reported to us at all our workshops, including with council staff, ELT and councillors. One councillor stated that he believed Te Ruarangi was helping to ensure that council works positively with iwi/hapū. This councillor provided several examples of where that positive working relationship had delivered significant benefits for the region, such as on civil defence and the caulerpa response.

5.19 In addition to Te Ruarangi, we also received feedback that the other groups that provide for Māori participation have been of significant value, including MTAG and the Tāngata Whenua Water Advisory Group. A common theme was that these groups help to develop strong relationships and better understanding, and from there, it is possible to work together on issues of shared concern, in a spirit of partnership. These relationships take time to develop but when they are established, are powerful and should be protected and embedded because of the value they provide to both council, iwi/hapū and the wider community as demonstrated by some of the examples provided to us during the workshops. We consider that these groups and Te Ruarangi demonstrate that there are strong relationships and enduring partnerships that have developed between council and iwi/hapū over time.

5.20 It is important to note that we also received feedback that there are challenges with Te Ruarangi and other mechanisms and there is also an opportunity to do more. We comment further on these matters in part 6 below.

Improvements in council's cultural awareness and competency

5.21 In our stage one report, we reported on the need for the council to continue to invest and make improvements in the cultural competency of its staff, and to support councillors in their understanding of Te Tiriti, He Whakaputanga and tikanga Māori.

5.22 We heard that there has continued to be a noticeable improvement in this area, described by some as a *"cultural shift"*. We received feedback that there have been improvements in terms of specific

recruitments that have increased the cultural competency of the council as a whole, and also in terms of the skill set of the existing council workforce in this area.

5.23 Several participants commented that they considered the Kaupapa Māori employment outcomes framework had helped in this regard. We received feedback that this framework helped to make clear to all council staff what is expected and what is expected at each level. The contribution of the earlier Te Whāriki framework was acknowledged but this newer document is considered to be more powerful as it is more specific and directive as to the council's expectations of staff.

5.24 While there have been improvements, it is clear there is still more that can be done to improve council's cultural awareness and competency and we comment on this further in part 6 below.

Specific projects and initiatives that have supported and developed the relationship

5.25 Through our workshops there were a few examples of projects and initiatives that were reported to us several times as 'success stories', where the council and iwi/hapū had worked together in a positive way and that had delivered significant benefits for both council, iwi/hapū and the broader community.

5.26 Specific feedback included that the leadership provided by iwi and hapū leaders was instrumental to the success of these projects with workshop participants noted that these projects would not have been delivered without the support of iwi and hapū and that their leadership has been *"inspirational"*.

5.27 These projects include flood mitigation, civil defence responses, biosecurity responses and others. Another key initiative was the work led by the Tāngata Whenua Water Advisory Group in relation to the council's draft freshwater plan change.

5.28 One council staff member reported that in relation to a particular project, a hapū representative had commented that there was a noticeable difference in how the council was engaging, which was appreciated.

5.29 There was also a great deal of feedback provided on the Wānanga Waiora (referred to above in part 3). A member of ELT noted the level of appreciation that was expressed through that forum for the work that is happening between council, iwi and hapū.

Commitment from leadership

5.30 Our impression is that there remains a strong commitment from the leadership of iwi/hapū and the council to build a stronger partnership.

5.31 Since the stage one report was completed, there has been a change in governance at council. During our workshops, it was acknowledged that this change in leadership had led to some different views on Te Tiriti and the direction the council should take. However, while there was a range of views expressed, all councillors seemed to acknowledge that the council has important statutory obligations in relation to Te Tiriti and that it is important for the council to have good relationships with iwi/hapū. Moreover, several councillors spoke in detail about the benefits they see in council developing a strong relationship with iwi/hapū and the benefits being delivered through the implementation of Tāiki ē and mechanisms like Te Ruarangi.

5.32 The importance of the leadership of council's ELT and Te Tiriti partnerships and engagement team was also raised during the workshops. In particular, it was commented that those teams have played an integral role in maintaining momentum, including in the face of legislative and policy changes.

5.33 It was also clear to us that the iwi/hapū leadership remain committed to developing the partnership with council and ensuring this is enduring. In particular, the role of Te Ruarangi remains highly valued. We received feedback that iwi and hapū would like to see this mechanism taken even further and embedded into the council in a meaningful and enduring way.

Ongoing mahi and developments to support the partnership

5.34 Another key finding is that a huge amount of work has been done since the stage one report was completed. This work has been alluded to already in this report, but it is worthwhile summarising again here that work so that it can be considered as a whole.

5.35 The work reported to us includes:

(a) A significant programme of work has been carried out to implement Tāiki ē, as noted above. We heard that this work is highly valued and appreciated, including at all of our workshops. We also understand that Tāiki ē has been reviewed and updated to ensure it remains current. It has also been reported on and progress has been measured.

(b) A number of new Council policies, strategies and operational documents have been developed, which demonstrate a commitment to strengthening relationships with iwi/hapū and improving council's cultural competency. These include He Toa Takitini, the kaupapa Māori employment outcomes framework, and Te Puna Reo.

(c) There have been investments in tools such as a contact database of iwi/hapū contacts, which is intended to be hosted on a GIS system. We heard that there have been some challenges with this project, including challenges with finding the best technology solutions for the task. However, the resource is expected to be of significant value to the council and iwi/hapū when it is completed.

5.36 These examples demonstrate that there is a genuine commitment by council and practical steps are being taken. Our overall impression is that this is leading to meaningful improvements, however, there is still more to do.

6. PART SIX: WHAT ARE THE CHALLENGES/OPPORTUNITIES?

Overarching comments

6.1 In our stage one report, we identified a number of challenges and opportunities for the relationship between the council, iwi and hapū. It was clear to us through this stage two process that many of these challenges remain relevant, and there are some new challenges as well.

6.2 In this part 6 of the report, we summarise the challenges and opportunities we heard about through our workshops. Many of these challenges have been alluded to above in part 5 as in many areas there have been improvements, however, challenges still remain.

6.3 In summary, the challenges and opportunities we heard about include:

(a) There have been a number of legislative and policy changes.

(b) There are still some issues with the implementation of Tāiki ē and there are opportunities to take that strategy further.

(c) There is an opportunity to further embed and strengthen Te Ruarangi's place within council as a forum where council and iwi/hapū can work together in a true spirit of partnership.

(d) There is still more that can be done to improve council's cultural awareness and competency.

(e) There are inconsistencies in how council engages with iwi and hapū.

(f) There are opportunities for even stronger relationships at leadership level between council and iwi and hapū.

(g) Resourcing remains a challenge, both for council and iwi and hapū.

(h) There remains more to do to improve how the council engages with iwi and hapū on resource consent applications.

Legislative and policy changes

6.4 A common theme reported was that legislative and policy changes have created a number of challenges, including:

(a) Proposed legislative changes have required a lot of resource and time for both council, iwi and hapū to respond to. This has diverted energy and attention from work that was previously planned.

(b) Proposed legislative changes also have significant implications for the council's functions, and that is requiring a reset. For example, the council's role in relation to consenting under the Fast-track Approvals Act 2024 is very different to its standard role as consent authority under the Resource Management Act 1991. This can result in confusion and misalignment of expectations as to what the council can realistically do in a fast-track scheme.

(c) Proposed legislative and policy changes have also necessitated a change to existing work programmes. For example, proposed amendments to the NPSFM mean that planning work in relation to freshwater needs to be reconsidered.

(d) There have sometimes been questions raised about how to view the council's Te Tiriti obligations and whether the current direction is the right one. That has created challenges in

delivering strategies that were already agreed to. This does not appear to have stopped the direction that was clear in our stage one report, but it has made the implementation of this direction more challenging at times.

6.5 At all of our workshops, legislative and policy changes and their impacts were acknowledged. In light of this, there were discussions about how to embed or secure positive relationships that have developed between council, iwi and hapū, but which could be undermined by these changes.

Challenges and opportunities with the implementation of Tāiki ē

6.6 Along with the positive aspects regarding the implementation of Tāiki ē as noted above, we also heard of some challenges and opportunities.

6.7 One comment was that there have been some challenges to the commitments made in Tāiki ē and that has slowed delivery.

6.8 Another comment was that while there has been a review and report of the progress in implementing the actions in Tāiki ē, the reporting has not necessarily captured the positive impact that these actions are having. This person suggested that in future reporting it would be good to ensure that the impacts of these actions are clearly reported as well as simply their completion, so that the positive benefits being delivered are clear to all. We understand that an annual report is being developed to address this and was presented at a formal Te Ruarangi meeting on 15 August 2025.

6.9 There was also feedback that there are inconsistencies in terms of how different areas of council approach Tāiki ē. In some areas, the strategy is not well understood and as a consequence it is not being implemented as it should be. We also heard, however, that the managers' wānanga in April 2025 had helped to support implementation of Tāiki ē across council.

Opportunity to strengthen Te Ruarangi

6.10 As noted above, Te Ruarangi is an important mechanism that strengthens the relationship between council, iwi and hapū and we heard it is highly valued by both council staff, councillors and iwi and hapū.

6.11 However, we also heard that there is an opportunity for Te Ruarangi to do more. In particular, there was feedback that Te Ruarangi's agenda does not always cover all relevant matters. This means there can be lost opportunities for council, iwi and hapū to work together on issues of shared concern.

6.12 There was also consistent feedback from Te Ruarangi and MTAG in particular that Te Ruarangi could be further strengthened to do more. There are many examples from around the country as to how this committee could be strengthened, if both council, iwi and hapū agree. This includes:

(a) An option available to council and Te Ruarangi is to consider making Te Ruarangi a formal committee of council. However, there are both pros and cons to consider with a committee structure versus a working party structure. For example, we understand that the iwi and hapū members have previously indicated a preference for a working party structure so that discussions can be wide-ranging and strict adherence to the standing orders is not required. These matters will need to be worked through as part of consideration and decisions on the future status of Te Ruarangi.

(b) We understand that council has passed a resolution this term that Te Ruarangi will not be automatically disestablished at the end of this term. Unfortunately, it is not possible to provide further protection for Te Ruarangi except through legislative amendment. However, a further option that could be explored to strengthen the place of Te Ruarangi in council's governance structure is for reference to Te Ruarangi to be included in individual relationship agreements between council, iwi and hapū.

(c) There is an opportunity for the council to strengthen how it works with Te Ruarangi on environmental management matters. For example, some councils have committees that work together on the development of resource management plans and policy statements and/or resource consenting matters, sometimes supported by independent technical planning expertise to help iwi and hapū engage in these processes.

(d) Opportunities for joint decision-making could also be explored. One comment we received was that currently the way in which Te Ruarangi fits into the overall council structure does not reflect true partnership, as the ultimate decision-making power sits with the nine elected councillors and is not shared.

6.13 The future of Te Ruarangi will need to be carefully considered and discussed by council, iwi and hapū directly and it is up to the partners how they want this mechanism to evolve over time. However, given the strength of Te Ruarangi and how highly it is valued by both council staff, councillors and iwi and hapū, there is significant potential to further strengthen its role in the council's governance structure.

6.14 Another specific comment we heard was that Te Ruarangi meetings are of most value when most attendees join in person, rather than remotely. This enables more robust discussions and better understanding. In particular, it was noted that the ability for Te Ruarangi to meet on marae was an important feature and enables iwi and hapū to present directly to council on matters of concern. However, it was noted that these meetings are sometimes not as well attended as the regular Te Ruarangi meetings held at council chambers.

Opportunity for continuing improvement in the council's cultural awareness and competency

6.15 As noted above, we heard through our workshops that there has been a notable improvement in the council's cultural awareness and competency, supported by new recruitment and policies that prioritise and encourage council staff to continually upskill in this area.

6.16 However, it is clear that there is more that can still be done. We note that Tāiki ē includes an action to *"develop and embed a cultural awareness and competency framework for councillors, staff and relevant consultants".* This is still an appropriate action, which will be measured through the relevant long-term plan measures (referred to in part 3 above).

Inconsistencies in council practices

6.17 In part 5 above, we noted that there are some very positive examples of where council has worked very closely and in a spirit of partnership with iwi and hapū. We also noted our understanding that a huge amount of work has been done to implement Tāiki ē and this is starting to drive a culture shift in council.

6.18 However, we also heard that there are inconsistencies in council practices. In particular, in regards to Tāiki ē, we heard that there are still some parts of council that are not familiar with the strategy or the commitments made by council within it. As a consequence, some parts of council have not yet considered what Tāiki ē requires and opportunities for progress are being missed.

6.19 In some instances, we heard that matters are slipping through the cracks. For example, the council has developed guidelines for appointing Māori commissioners, however, this was not discussed with Te Ruarangi or MTAG, despite being of obvious relevance to those groups and being one of the identified actions in Tāiki ē.

6.20 We also heard that there are inconsistencies regarding the implementation of iwi and hapū environmental management plans and mana whakahono ā rohe, with some parts of council not having a good understanding of these. There is therefore an opportunity to ensure that these documents are properly recognised within council and properly implemented.

Opportunities for stronger relationships at leadership level

6.21 Above in part 5 we noted that there is a strong commitment at leadership level, both within council and iwi and hapū to the relationship and working in partnership.

6.22 We also heard that there are opportunities to build stronger relationships with Te Kahu o Taonui and ILGACE, which are entities that represent some of the different iwi and hapū groups in Te Taitokerau. We acknowledge that the long-term plan includes a commitment to promote and support information sharing and consultation among iwi and council chairs through these two fora. We also understand that of the 12 iwi who particulate on Te Kahu o Taonui, nine iwi are represented on Te Ruarangi.

Resourcing remains a challenge

6.23 In the stage one report, we noted that resourcing is a key challenge, for council, but particularly for iwi and hapū. In many cases, iwi and hapū are not resourced adequately for the contributions that council asks of them.

6.24 This was a common theme in this stage two process as well. We heard that too often, the contributions of iwi and hapū are not recognised in an appropriate way. We also heard that where resources are provided, they are often limited and short-term, so iwi and hapū find it difficult to plan and build resources in an enduring way.

6.25 There is an opportunity for council to consider the workload required from iwi and hapū and to resource this in a deliberate and planned way.

Engagement on resource consent processes

6.26 In the stage one report, we recommended that the council consider its processes for considering and granting resource consents and develop a plan and review mechanism to respond to issues raised by iwi.

6.27 Tāiki ē also includes actions to review, update, and embed how the council delivers its regulatory services to ensure regulatory activities (eg resource consents and compliance monitoring) are undertaken in a culturally appropriate manner and include iwi and hapū to the greatest extent possible.

6.28 In this stage two process, we have heard that some improvements are occurring, however, there is still much more to do. In particular, we heard that:

(a) Hapū are not always resourced to consider and provide comments on resource consent applications.

(b) Hapū may not have access to appropriate technical expertise (eg planning and other specialists) to be able to provide meaningful comments on resource consent applications.

(c) The resource consent application process can also be difficult for hapū and marae to navigate as applicants.

(d) In some instances, iwi and hapū are concerned about the approach taken to monitoring and compliance, particularly in relation to freshwater and wetlands where environmental degradation is a concern.

(e) We also heard that some iwi/hapū have the impression that council staff sometimes prioritise engagement on resource consents with groups that have agreed a mana whakahono ā rohe with the council. However, the Resource Management Act 1991 requires persons acting under the Act to recognise and provide for the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga (section 6(e)); to have particular regard to kaitiakitanga (section 7(a)); and to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi), regardless of whether a group has negotiated a mana whakahono ā rohe or not.

7. PART SEVEN: RECOMMENDATIONS

7.1 We have reflected on the findings in this report to develop a new set of recommendations that reflect the current situation. Some of these recommendations are similar to those set out in our stage one report.

7.2 We note that we received feedback during our workshops that while the recommendations in the stage one report were very helpful and have led to improvements, they were also quite broad, and it would assist to have more specific recommendations in this stage two process. We have endeavoured to provide more specific recommendations in this stage two report.

7.3 Our recommendations are structured to respond to the eight areas of challenge and opportunity we identified in the preceding part 6 of this report, which were as follows:

(a) There have been legislative and policy changes.

(b) There are still some issues with the implementation of Tāiki ē and there are opportunities to take that strategy further.

(c) There is an opportunity to further embed and strengthen Te Ruarangi's place within council as a forum where council and iwi/hapū can work together in a true spirit of partnership.

(d) There is still more that can be done to improve council's cultural awareness and competency.

(e) There are inconsistencies in how council engages with iwi and hapū.

(f) There are opportunities for even stronger relationships at leadership level between council and iwi and hapū.

(g) Resourcing remains a challenge, both for council and iwi and hapū.

(h) There remains more to do to improve how the council engages with iwi and hapū on resource consent applications.

7.4 In response to these themes or topics, we make the following recommendations:

Responding to legislative and policy changes

7.5 Legislative and national policy change is outside the council's control to some extent. However, these matters can have a significant impact on the relationship. We acknowledge that the council and iwi and hapū have already worked together on such matters since our stage one health check. We recommend that this process continues. In particular, we recommend that:

(a) **Recommendation 1:** The council continues to discuss relevant legislative and policy changes with iwi, in particular, with Te Ruarangi but also with other representative entities where appropriate (such as Te Kahu o Taonui and/or ILGACE and/or individual iwi/hapū). The purpose of this engagement would be:

(i) to share information;

(ii) to understand the views of iwi and hapū;

(iii) to help the council decide whether to respond to matters through submissions and/or to put in place any processes to respond to changes; and

(iv) how the council can work with Te Ruarangi and/or other representative entities on those matters, if appropriate; and

(v) to ensure that the opportunities available in the new legislative and policy framework are explored, as well as any constraints.

Continuing with the implementation of Tāiki ē

7.6 As in stage one, we consider that Tāiki ē is an impressive document and, if implemented, will lead to significant and positive change. We note that the actions in Tāiki ē cover a range of matters including:

(a) supporting the uptake of iwi/hapū environmental management plans and mana whakahono ā rohe;

(b) consideration of resource management matters (both planning, consenting and compliance);

(c) investing in council's cultural awareness and competency;

(d) supporting iwi and hapū to engage in council processes;

(e) reviewing council's processes for engagement;

(f) consideration of opportunities for joint decision-making;

(g) procurement matters; and

(h) supporting broader Māori outcomes.

7.7 The list of actions is comprehensive, specific and measurable. We recommend that the council continues to implement Tāiki ē and to monitor progress.

7.8 We have the following specific recommendations to assist with the implementation of this important document:

(a) **Recommendation 2:** The council should ensure that each council department is considering Tāiki ē, how it relates to the work of that department, and what the department can do to help implement the actions. Each department could be requested to provide a report on how it intends to implement the actions and to report on its progress ahead of the next review of Tāiki ē.

(b) **Recommendation 3:** We recommend that the council and Te Ruarangi review Tāiki ē and progress in implementing the actions at regular intervals and, if necessary, update Tāiki ē to ensure that it remains up to date and focussed on the key priorities. That is, we endorse the process that was undertaken in 2023 and 2024 to review and update Tāiki ē. If the strategy is regularly reviewed in this manner, that will help in ensuring there is consistent progress in the direction that the partners agree.

(c) **Recommendation 4:** We recommend that future reporting on the actions in Tāiki ē ensures that the impacts of these actions being undertaken are clearly reported as well as their completion. It is expected that this reporting will help to demonstrate the benefits being delivered through this work and help the council to show that this work is delivering value for money.

(d) **Recommendation 5:** The long-term planning process should specifically consider the resourcing implications of implementing Tāiki ē, including council resourcing and iwi/hapū resourcing.

Considering the next steps for Te Ruarangi

7.9 We heard that Te Ruarangi is an important and highly valued and respected mechanism to support and develop the relationship between council, iwi and hapū.

7.10 **Recommendation 6:** We recommend that the council work with Te Ruarangi to ensure that its terms of reference are appropriate and reflect a partnership approach. Specific topics to consider as part of this include:

(a) How to ensure that Te Ruarangi is embedded into council's governance structure in an enduring way. We understand that the council has already resolved that Te Ruarangi should not be automatically disestablished at the end of this term. This commitment could be further strengthened by including reference to Te Ruarangi in individual relationship agreements between council and iwi/hapū. In addition, we recommend that the council and Te Ruarangi consider further the pros and cons of Te Ruarangi being constituted as a committee of council rather than as a working party. We understand that the iwi and hapū representatives have previously expressed a preference for a working party rather than council committee structure. We recommend that specific advice on the different options and pros and cons of each is prepared to assist consideration and decisions on this matter.

(b) That the scope of matters coming to Te Ruarangi is appropriate. This could include review of how the agenda for Te Ruarangi meetings is set, including how this is integrated with the agenda for full council meetings. It should also include ensuring that actions taken to implement Tāiki ē are developed with appropriate oversight and input from Te Ruarangi.

(c) The council and Te Ruarangi could also discuss the options for improving iwi/hapū participation in resource management processes, including through the Natural Resources Working Party. There are examples around the country where a committee like Te Ruarangi is involved very closely in the development of resource management planning documents, including with access to appropriate technical expertise (eg planning). In making this recommendation, we acknowledge that the council has worked closely with iwi and hapū on significant resource management matters to date (for example, through the Tāngata Whenua Water Advisory Group). If the partners wish, they could discuss Te Ruarangi's remit being expanded to formal involvement in the resource management planning process.

(d) That opportunities for joint decision-making are explored.

Continuing investment in council's cultural awareness and competency

7.11 **Recommendation 7:** The council should continue to invest in cultural awareness and competency programmes, for both staff and councillors.

Lifting the standard of engagement across council as a whole

7.12 **Recommendation 8:** We recommend that the council develops a policy on engagement to ensure consistency across council teams. This policy could include case studies of some of the success

stories we heard about during our workshops as well as guidance on how to engage well and in a spirit of partnership.

7.13 **Recommendation 9:** The council should also continue to develop the iwi and hapū contacts database. This will be an important resource for the council, iwi and hapū.

7.14 **Recommendation 10:** As part of that work, or alongside it, the council should consider how information about mana whakahono ā rohe, other relationship agreements and iwi/hapū environmental management plans is held within council, to ensure that relevant departments are aware of these important documents and give them due consideration in delivering their work.

Opportunities for further relationships at governance level

7.15 **Recommendation 11:** The council should discuss with Te Ruarangi whether it would be appropriate to put in place some standing relationship mechanisms with Te Kahu o Taonui and ILGACE in order to deliver on the existing commitment in the long-term plan, and to develop strong relationships between council and iwi/hapū at governance level.

Resourcing

7.16 **Recommendation 12:** The council should continue to consider how it can support iwi/hapū to work with council. There are a number of options to consider, including:

(a) developing clear guidelines for proactive resourcing and reimbursement;

(b) engaging independent technical specialists to support iwi and hapū in resource management processes where needed (ie expert planning support); and

(c) ensuring that implementation of Tāiki ē is carefully considered in the long-term planning process, including the resourcing implications for both council and iwi/hapū.

Resource management matters

7.17 **Recommendation 13:** The council should continue with the implementation of the action plan developed in response to the independent review of resource consent processes (refer above at paragraph 3.42(a)).

7.18 **Recommendation 14:** The council and Te Ruarangi should consider the approach to resource management planning and whether there is an opportunity to strengthen how the council works with iwi and hapū on the development of those policy statements and plans.

APPENDIX ONE: STAGE ONE REPORT

TE TIRITI HEALTH CHECK REPORT

BY

WHĀIA LEGAL AND BUDDLE FINDLAY

FOR

TE KAUNIHERA Ā ROHE O TE TAITOKERAU / NORTHLAND REGIONAL COUNCIL

23 SEPTEMBER 2022

23 September 2022

1. PART ONE: INTRODUCTION

1.1 Buddle Findlay and Whāia Legal,[1] were engaged by Te Kaunihera ā Rohe o Te Taitokerau / Northland Regional Council (**Council**) to undertake a Te Tiriti health check. The purpose of the Tiriti health check is to provide an independent assessment as to how the Council understands and implements its Te Tiriti o Waitangi obligations in engaging with tangata whenua and mana whenua.

Scope and process

1.2 In March 2022, the Māori Technical Advisory Group (**MTAG**) provided initial direction by using the Te Arawhiti framework and identified the following six priority areas for the Tiriti health check:

(a) Governance: Understanding of Māori council relations priorities;

(b) Relationships with Māori: Relationship management;

(c) Relationships with Māori: Engagement, partnerships and empowerment;

(d) Relationships with Māori: Procurement;

(e) Structural: Addressing institutional racism; and

(f) Policy and services: Evaluation.

1.3 As part of the work plan developed with the Council, we agreed on proposed questions for the workshops to address the six priority areas. However, it became clear during the course of the workshops, that to allow free and frank discussions between ourselves and participants and to gain the most insight from these workshops, these were better facilitated through broad scope questions, and we could then focus on key issues and challenges / opportunities. The broad scope questions included the following:

(a) What are the Council's strengths in working with Māori?

(b) What are the Council's strengths in working in a manner that is consistent with Te Tiriti and its principles?

(c) What can be improved?

1.4 The discussions naturally addressed MTAG's six priority areas, noting that some groups spoke to different aspects of the six priority areas.

1.5 In undertaking this assessment, we have:

(a) followed the work plan and scope developed with the Council;

(b) focused on the six priority areas identified by MTAG;

(c) used the Te Arawhiti framework to assess Council's performance in the six priority areas;

(d) reviewed Council documentation provided by the Council as relevant to the six priority areas;

(e) conducted workshops with (or received written feedback from) the following groups to obtain feedback on the Council's performance in the six priority areas:

[1] Tai Ahu, Rahera Douglas (Whāia Legal) and Paul Beverley, Frances Wedde, Cerridwen Bulow (Buddle Findlay).

(i) Te Taitokerau Māori and Council Working Party (**TTMAC**) and MTAG;

(ii) kaitiaki;

(iii) Council Executive Leadership Team; and

(iv) Councillors and Council staff;

(f) prepared a draft report summarising our findings and setting out our recommendations;

(g) presented the draft report to MTAG, the Executive Leadership Team (**ELT**) and TTMAC and considered any feedback; and

(h) prepared a final report.

1.6 We also note that, although this report is focused on the Council, there are also Council-controlled organisations / entities, whose functions are significant for Te Taitokerau communities. As such, the findings and recommendations in this report will also be relevant to, and will need to be considered by, those organisations / entities.

Report structure

1.7 To reflect the structure of our workshops, our report addresses:

(a) **Part One**: Introduction.

(b) **Part Two**: Te Taitokerau context.

(c) **Part Three**: What is the current state of the relationship between Māori and the Council?

(d) **Part Four**: What is working well?

(e) **Part Five**: What are the challenges / opportunities?

(f) **Part Six**: Recommendations.

1.8 We have addressed the six priority areas, and the Te Arawhiti framework, in our recommendations section. The Te Arawhiti framework was a useful reference point, but we developed a specific framework for this process, which is reflected in the structure of this report.

1.9 We recognise and understand that the Tiriti health check, and this report, is just one part of the journey of the relationship between Council and Te Taitokerau Māori.

2. PART TWO: TE TAITOKERAU CONTEXT

2.1 In undertaking this Tiriti health check, it is important to understand the unique context of the area serviced by the Council. By unique context, we mean:

(a) population structure and demographics;

(b) iwi and hapū rangatiratanga; and

(c) the history and relevance of He Whakaputanga and Te Tiriti o Waitangi together, and Treaty settlements.

2.2 We consider each of these elements below.

2.3 We heard that Crown and local government structures have been designed to maintain the 'status quo' and colonial hierarchy where institutions remained in the centre with the power and authority, and others were kept on the outside with little or no influence (not being able to vote was one example). Māori have long been ignored or treated as a party to be consulted, rather than being at the decision-making table as a Tiriti partner. There is a need to ensure that local government and Māori are moving beyond that colonial history and more towards partnership, and we saw positive signs of the beginning of that movement through this health check process.

Population structure and demographics

2.4 The 2018 census put the population count for the Northland region at over 179,000 people spread over an area of 12,500 km.[2] Of that 179,000 over 64,000 (or 36%) of the population were Māori. Comparatively, the 2018 census found that Māori make up 16.5% of the total population of the country.

Iwi and hapū rangatiratanga

2.5 Within the Northland region, there are a number of different collectives of iwi and hapū who held and continue to hold rangatiratanga.

2.6 Te Puni Kōkiri has identified 12 iwi that have been formally recognised by the Crown whose Tākiwa fall, either partially or wholly, within the region. These are Te Aupōuri, Ngāti Kuri, Ngāti Kahu, Te Rarawa, Ngāi Takoto, Ngāti Kahu ki Whangaroa, Ngāpuhi/Ngati Kahu ki Whaingaroa, Ngāpuhi, Ngātiwai, Te Uri o Hau, Te Roroa and Ngati Whātua.

2.7 In its report "He Whakaputanga me te Tiriti", the Waitangi Tribunal recognised the rangatiratanga of hapū at the time of the signing of Te Tiriti. The Tribunal stated that:[3]

> They came from a world in which each hapū was autonomous and exercised power over its own territories, retaining that autonomy even when acting in alliance or concert with other hapū. The rangatira brought also their own individual experiences and concerns, based on the interests of their hapū…

2.8 Hapū autonomy remains an important and distinct feature of the Northland region to this day. During interviews, it was noted that the most recent communication between Council staff and hapū leaders identified more than 300 hapū. A number of hapū actively engage with the Council on their own terms and to represent the interests of their hapū members in the rohe where they hold mana whenua.

2.9 Some iwi and hapū have entered into deeds of settlement and consequent settlement legislation with the Crown, others have not. Those who have settled have formal arrangements with the Council in accordance with their settlement legislation.

He Whakaputanga and Te Tiriti

2.10 The unique context of hapū autonomy in Northland is intertwined with views on He Whakaputanga and Te Tiriti. By He Whakaputanga, rangatira from Te Taitokerau declared their own independence and the independence of their country, and asserted their own sovereignty, independent of any other purported law-making power. The Waitangi Tribunal acknowledged that historical accounts

[2] https://statsnz.maps.arcgis.com/apps/webappviewer/index.html?id=6f49867abe464f86ac7526552fe19787.
[3] Waitangi Tribunal *He Whakaputanga me te Tiriti* (Wai 1040, 2014) at 2.

from the time support the position that He Whakaputanga was an assertion of sovereignty in accordance with Māori political understandings of the time, that is, when hapū were the main political unit.

2.11 While He Whakaputanga is not referenced in Te Tiriti, the two documents together are an essential statement on the sovereignty of Māori in Northland. The Waitangi Tribunal found that Taitokerau rangatira did not cede sovereignty to the Crown at the time they signed Te Tiriti and our understanding through this process is that Taitokerau Māori continue to maintain that they have not ceded their sovereignty to either central or local government.[4] That position of sovereignty, as envisioned by the rangatira at the time He Whakaputanga was signed, is something that Taitokerau Māori are still striving to achieve.

2.12 In our interviews with interested Māori parties, we heard how political and legal structures inherited under the colonial system have alienated Māori participation in governance. In particular, the local government system was designed to maintain English ideals of class structure. To that end, only landowners could vote for a long period of time; women and Māori were excluded from participation in local government. This history of Māori exclusion has resulted in ongoing low participation from Māori.

2.13 We heard there needs to be a system change to enable those who have genuine passion for Māori empowerment to be effective. While Māori represent a high proportion of the population of Northland, the system has not been built to account for Māori participation nor for the isolation that occurs with rural communities.

2.14 While the Tiriti health check is limited to consideration of Te Tiriti, we recognise the importance of He Whakaputanga as a formal statement of the sovereignty and unity of rangatira in Te Taitokerau. We also acknowledge its essential relevance to the unique context of Taitokerau and have taken this into account in our assessment.

3. PART THREE: WHAT IS THE CURRENT STATE OF THE RELATIONSHIP BETWEEN MĀORI AND THE COUNCIL?

3.1 This section provides an overview of:

(a) the legislative context for the relationship between Māori and local government;

(b) the existing governance / relationship structures between Māori and the Council; and

(c) the existing strategic direction / frameworks for the relationship between Māori and the Council.

3.2 Our assessment of what is working well, and what the challenges and opportunities are, is addressed in parts four and five of this report.

Legislative context

3.3 There is no one coherent framework of statutory obligations for the relationship between Māori and local government. Rather, discrete statutory obligations have been developed on a statute-by-

[4] Waitangi Tribunal *He Whakaputanga me te Tiriti* (Wai 1040, 2014) at 2.

statute basis over many years, and they are framed in different ways depending on the statute in question.

3.4 There are different obligations that may apply to a council depending on the circumstances. For example, under the Resource Management Act 1991 (**RMA**) there are certain obligations that are relevant to a council in its regulatory capacity; and others when acting as an applicant for resource consent (eg when seeking consents for three waters infrastructure). The statutory obligations arise under a range of statutes, including:

(a) local government legislation (such as the Local Government Act 2002);

(b) planning and environmental legislation (such as the RMA);

(c) Treaty settlement legislation;

(d) customary rights legislation (such as the Marine and Coastal Area (Takutai Moana) Act 2011); and

(e) other legislation (such as the Reserves Act).

3.5 There are also other obligations to Māori that arise, for example, under RMA national policy statements such as the New Zealand Coastal Policy Statement 2010 or the National Policy Statement for Freshwater Management 2020.

3.6 The specific legal obligations vary depending on the statute and the context, and those differences are important. Obligations may focus on (for example):

(a) Te Tiriti o Waitangi / the Treaty of Waitangi;

(b) recognition of tikanga Māori, values, culture and traditions;

(c) understanding of tikanga and mātauranga Māori;

(d) customary rights (for example in the Marine and Coastal Area (Takutai Moana) Act context);

(e) participation for Māori in local authority decision-making;

(f) recognition of areas or resources of particular significance to Māori; and

(g) processes such as consultation.

3.7 The inconsistencies and gaps in the legislation present challenges to both Māori and councils in terms of understanding what is required in the relationship context.

3.8 One important matter to be explored further is the extent to which the legislation is enabling or constraining in terms of advancing the partnership aspirations of the parties.

Governance / relationship structures

3.9 The governance structure for the Council is made up of:

(a) a full Council comprising of nine elected Councillors (as the ultimate decision-making body for Council matters);

(b) joint committees;

(c) statutory bodies;

(d) co-governance bodies;

(e) sub-committees; and

(f) working parties.

3.10 All joint committees, sub-committees and working parties are required to regularly report progress on their functions to the Council. In addition to those governance structures, there are also a number of collaborative community working groups.

3.11 Māori are currently represented at governance level through representation / membership on:

(a) certain joint committees, including:

(i) Joint Climate Change Adaptation Committee;

(ii) Kaipara Moana Remediation Joint Committee; and

(iii) the Civil Defence and Emergency Management Group;

(b) a statutory body, being the Te Oneroa-a-Tōhe Board, which was established through Treaty settlements and is a joint committee for the management of Te Oneroa-a-Tōhe (90 Mile Beach);

(c) working parties, including:

(i) TTMAC Working Party;

(ii) Climate Change Working Party;

(iii) Planning and Regulatory Working Party;

(iv) Biosecurity and Biodiversity Working Party; and

(v) Water and Land Working Party; and

(d) other groups, such as:

(i) MTAG;

(ii) Local Government Elections subgroup;

(iii) Strategic (Priorities) Intent subgroup 2021; and

(iv) Tāngata Whenua Water Advisory Group.

3.12 Members of TTMAC make up the representation / membership on the other working parties and the other groups.[5] The working parties and groups do not have any formal decision-making delegations from the Council.

3.13 The Local Government Elections subgroup, and Strategic (Priorities) Intent subgroup are examples of groups formed for specific projects or pieces of work throughout a triennium to ensure the Council has iwi and hapū expertise and perspectives.

3.14 Māori will also be represented in the full council following the 2022 local body elections. In October 2020, the Councillors agreed to establish Māori constituencies and formally introduce Māori seats to

[5] A TTMAC member is also a representative on the Joint Climate Change Adaptation Committee.

the full council. We understand it is intended that two of the nine Councillors elected will be from the Māori constituencies.

3.15 In addition there is:

(a) Te Kahu o Taonui, the Iwi Chairs Forum which is autonomous from Council; and

(b) the Iwi and Local Government Agency Chief Executives Forum (**ILGACE**).

Kaipara Moana Remediation Joint Committee

3.16 The Kaipara Moana Remediation Joint Committee oversees the Kaipara Moana Remediation Programme. The committee is made up of six Kaipara Uri and six council representatives (three from Auckland Council and three from Northland Regional Council). A memorandum of understanding was signed in October 2020 by central government, councils and Kaipara Uri to formalise the equal partnership between Kaipara Uri and the councils to undertake the remediation programme.

Te Oneroa-a-Tōhe Board

3.17 The Board is a co-governance partnership established through the Te Hiku Treaty settlement legislation. The board comprises of members from four iwi and members from the Far North District Council and Northland Regional Council. The purpose of the board is to provide governance and direction to those with a role or responsibility relating to Te Oneroa-a-Tōhe.

TTMAC

3.18 TTMAC was established in 2014, and initially operated as a standing committee (Te Tai Tokerau Māori Advisory Committee). Due to limitations of standing orders and how the committee could operate, it was decided that TTMAC would better operate as a working party. Prior to 2014, TTMAC (or similar constructs) operated / participated in Council processes. New Terms of Reference were agreed in April 2020 (**ToR**). By way of summary, the ToR provide as follows:

(a) the Te Kaupapa / Mission statement;

(b) He Tirohanga Māori / Vision Statement 2030;

(c) Ngā Ture / Values and Ngā whainga / Objectives;

(d) membership of TTMAC consists of:

(i) 21 appointed iwi and hapū members (one representative per iwi and hapū); and

(ii) nine elected members (Councillors);

(e) TTMAC meets up to 10 times a year (either formally or for workshops at marae focusing on local issues) and provides a summary report to the Council after each meeting;

(f) the Council pays the costs for meeting, mileage and attendance at other working parties for non-elected members of TTMAC (iwi and hapū representatives) in accordance with its relevant policy and the ToR; and

(g) currently TTMAC has no delegated authority from the Council.

3.19 The Te Kaupapa / Mission Statement in the ToR states that TTMAC provides:

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(a) a forum that emphasises and advocates te Ao Māori; the Māori world view;

(b) a means by which the Māori perspective is valued, influences and challenges processes and policy;

(c) a stable platform for whānau, hapū and iwi to connect and communicate with each other;

(d) a safe haven for open and forthright discussion; and

(e) strong leadership in consultation with tāngata whenua and Māori communities.

MTAG

3.20 MTAG is a sub-group of TTMAC and provides technical advice and guidance to the non-elected members of TTMAC (iwi and hapū representatives).

3.21 MTAG (previously the Māori Technical Working Party) was endorsed in 2015 to assist the then Te Tai Tokerau Māori Advisory Committee.

3.22 MTAG does not have formal delegations or terms of reference.

Te Kahu o Taonui and ILGACE

3.23 Te Kahu o Taonui was formed in 2006 as a collective of iwi and their Chairs in Te Taitokerau to create opportunities to benefit whanau, hapū and marae. Since its establishment there are now 12 iwi represented in this collective recognised by the iwi authorities of Te Taitokerau independently. These are Ngāti Whatua, Te Roroa, Ngātiwai, Ngāti Hine, Ngāpuhi, Te Rūnanga o Whaingaroa, Kahukuraariki Trust Board, Ngāti Kahu, Te Rarawa, Ngai Takoto, Te Aupōuri, Ngāti Kuri.

3.24 Accordingly, TTMAC has eight mandated iwi members actively representing Ngātiwai, Ngāti Hine, Ngāpuhi, Te Aupouri, Te Rarawa, Te Roroa, Te Uri o Hau, Ngāti Whātua and four iwi memberships that are currently vacant. These are Ngāti Kuri, Ngai Takoto, Ngāti Kahu and Ngāti Kahu ki Whaingaroa.

3.25 In 2019, Whanaungatanga kī Tauranga – the Relationship Agreement was signed by seven iwi and three local body authorities. The intent of this agreement was to establish a more cohesive governance to governance relationship between Te Kahu o Taonui and local government.

3.26 The relationship agreement sets out the common goals and meeting arrangements for the partners.

3.27 The ILGACE meets regularly to work on shared goals and outcomes.

Strategic direction

3.28 A number of planning and other documents have started to shape the strategic direction for the relationship between Māori and the Council. For example:

(a) *Te Mahere Roa - Long Term Plan 2021 – 2031* and *Te Pae Tawhiti – Our Vision 2021-2031,* Council;

(b) *Strategic Intent 2021-2040,* TTMAC;

(c) *Tāiki ē (NRC Te Tiriti Strategy and Implementation Plan),* Council and TTMAC;

(d) Council policy framework documents, such as *Te Whāriki – Māori Responsiveness Policy Framework* (2019);

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(e) Mana whakahono a rohe under the RMA; and

(f) Iwi / hapū environmental management plans.

3.29 These are summarised briefly below.

Te Pae Tawhiti – Our Vision 2021-2031

3.30 The Council developed *Te Pae Tawhiti – Our Vision 2021-2031* (**Te Pae Tawhiti**), which is a strategic summary document that focuses on community outcomes that the Council wants to achieve and shows the work the Council does, or plans to do, through its Long Term Plan 2021-2031. In particular:

(a) healthy waters for the environment and our people;

(b) resilient and adaptable communities in a changing climate;

(c) protected and flourishing native life;

(d) meaningful partnerships with tangata whenua;

(e) a strong and sustainable regional economy; and

(f) safe and effective transport networks connecting our region.

TTMAC Strategic Intent 2021-2040

3.31 A critically important document developed by TTMAC is the *Strategic Intent 2021 – 2040* (**TTMAC Strategic Intent**).

3.32 TTMAC developed the TTMAC Strategic Intent which sets out:

(a) Te Kaupapa / Mission "*He iwi tahi tatou kia ora ai te taiao – Kāwanatanga and rangatiratanga work together for the wellbeing of the environment*";

(b) Te Pae Tawhiti / Vision 2014; and

(c) Ngā Whainga / Desired Goals for:

(i) capacity and capability;

(ii) Māori representation;

(iii) water / marine;

(iv) climate crisis; and

(v) economic development; and

(d) Ngā Tikanga / Values.

3.33 The TTMAC Strategic Intent formed the basis for Tāiki ē which is discussed below.

Tāiki ē (NRC Te Tiriti Strategy and Implementation Plan)

3.34 *Tāiki ē (NRC Te Tiriti Strategy and Implementation Plan)* (**Tāiki ē**) was endorsed by TTMAC on 14 July 2022 and adopted by the Council on 26 July 2022. Tāiki ē was prepared by a group including TTMAC representatives.

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3.35 Tāiki ē focuses on actions to achieve desired goals for capability and capacity and Māori representation from the TTMAC Strategic Intent (two of the five Ngā Whainga / desired goals identified in the TTMAC Strategic Intent).

3.36 Tāiki ē provides that, "*Ina tere ngā kapua, he hau kei muri – progress is built on applying shared values*". When Tāiki ē was presented to Council for adoption it was described that the ingoa or name Tāiki ē denotes the intent to a collective commitment that, "*we come together collectively to get the mahi done*".

3.37 Tāiki ē identifies for each action:

(a) who is responsible;

(b) a timeframe, ranging from underway, commencing within 12 months, 1-3 years and ongoing;

(c) the budget allocated to the action (sometimes the action is 'unbudgeted' or within existing resources);

(d) the Ngā Whainga / Goals it will achieve (identified in TTMAC Strategic Intent including, capability, capacity, partnership, Te Tiriti o Waitangi, decision-making and resourcing); and

(e) priority according to the actions ability to give effect to Te Kaupapa / Mission.

3.38 The 26 actions identified in Tāiki ē are significant and broad ranging – from actions at a strategic / overarching framework level to the development of tools and resources to assist 'on the ground'. By way of an example, some of the actions include:

(a) establishing the Te Tiriti health check and review framework (part of which includes the carrying out of this independent review);

(b) continue to develop Tāiki ē;

(c) support and increase uptake of iwi and hapū environmental management plans and mana whakahono a rohe;

(d) develop and fund a culturally appropriate Council environmental monitoring programme;

(e) deliver specific projects within agreed priority areas of interest;

(f) develop and embed a cultural awareness and competency framework for Councillors, staff and relevant consultants;

(g) invest in building tangata whenua capacity and capability;

(h) develop and maintain a digital tangata whenua contacts database that spatially identifies indicative iwi and hapū rohe boundaries;

(i) ensure the successful and ongoing implementation of Māori constituencies; and

(j) review Council procurement policies and processes and ensure there are fair and equal opportunities for tangata whenua consultants and contractors to obtain Council contracts.

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Council policy framework documents

3.39 The Council developed *Te Whāriki: Māori Responsiveness Policy Framework* (**Te Whāriki**) in December 2019. The purpose of Te Whāriki is to "influence, enhance and guide" the Council's "responsiveness to Māori".

3.40 Three Ngā Pou (goals) were identified, being:

(a) Te Pou Wāhi – resilient Māori communities;

(b) Te Pou Tāngata – effective Māori participation; and

(c) Te Pou Huarahi – a culturally competent organisation.

3.41 Shared principles were also identified that underpin and provide guidance on how to implement Te Whāriki.

3.42 For Te Pou Huarahi – a culturally competent organisation, a core cultural competencies framework and training programme was developed. This identifies different competency levels for Te Reo Māori, Tikanga Māori and Te Tiriti o Waitangi. The training programme then identifies which staff within Council are expected to be at which competency level, and establishes a training programme, such as completing specific modules or courses, in order to achieve those competencies.

3.43 More specific policy documents have also been prepared, for example *Engaging Cultural Monitors for consented earthworks / land disturbance* (2021). This policy provides clarity and guidance on the processes involved when engaging cultural monitors and is to be read in conjunction with Te Whāriki. This policy framework provides practical guidance to Council staff working in this space and builds on Te Whāriki and other strategic direction.

Mana whakahono a rohe

3.44 The Council has entered into two mana whakahono a rohe with Te Patuharakeke Iwi Trust Board and Te Rūnanga o Ngāti Rēhia.

3.45 The purposes of mana whakahono a rohe are to:

(a) enable iwi authorities (and hapū authorities where agreed) and local authorities to agree on ways in which tangata whenua (through their iwi authorities) may participate in resource management processes; and

(b) assist local authorities in complying with their statutory duties under the RMA, including through the implementation of sections 6(e), 7(a), and 8 of the RMA.

3.46 Mana whakahono a rohe are binding statutory arrangements that provide for a more structured relationship under the RMA between iwi and/or hapū authorities and councils. The intention was to improve working relationships between tangata whenua and local authorities, and to enhance Māori participation in RMA resource management and decision-making processes.

Iwi / hapū environmental management plans

3.47 There are 14 iwi / hapū environmental management plans that have been developed and recognised by an iwi authority and formally lodged with the Council.

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3.48 The purpose of these documents is to describe resource management issues of importance for tangata whenua and are relevant to both RMA planning and consenting processes.

3.49 The Council has specific funding for these plans.

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4. PART FOUR: WHAT IS WORKING WELL?

Overarching comments

4.1 The 'what is working well' comments below need to be viewed in the context of both the history of the relationship between local authorities and iwi/hapū in Aotearoa and Te Taitokerau, and the fact that there is a long way still to go to achieve genuine partnership in a way that reflects and respects Te Tiriti, He Whakaputanga, and the mana and rangatiratanga of iwi and hapū. As noted earlier, the local government legislation and structures are not designed in a manner that drive stronger partnership with Māori. However, that legislation is more enabling than is often appreciated.

4.2 In overall terms, we consider there are some very positive aspects of this partnership between tangata whenua and the Council including:

(a) the relationship has developed significantly since 2014;

(b) there is a huge amount of work going on from both partners to support and develop the partnership – there are high levels of commitment from the iwi/hapū members of the various structures such as TTMAC – although there are some questions about the sustainability of the approach given the huge workloads and demands on those members (commented on further below);

(c) there is a genuine desire emerging in the leadership structure of Council to take the next step in the partnership journey, to better understand and embrace Te Tiriti, He Whakaputanga, and tikanga Māori and to deliver something meaningful. The 'hearts and minds' of elected members and senior management are moving in the right direction to deliver some meaningful change. There was a real sense of excitement among Council leadership as to this journey they are on, but there can be challenges for elected members in terms of bringing the community with them;

(d) there are very positive structures in place to support the partnership – we heard positive comments about the valuable role that TTMAC has played, and there are a number of other structures and committees in place which are designed to move closer to a partnership approach; and

(e) there has been excellent work done on Tāiki ē on the back of the TTMAC Strategic Intent – Tāiki ē is an impressive document that was co-designed through a series of workshops where robust discussions were had, and clear actions and accountability/timeframes and budgetary matters identified.

4.3 We consider that this partnership is in a strong place relative to many of the iwi/hapū and local authority relationships across the country. For the reasons outlined above there has been impressive work done particularly over the last few years, and most importantly there is increasingly a leadership level commitment to genuine partnership. We heard that the dial has moved slowly in the right direction, but commitment to keep progressing and tangible outcomes and actions are needed, as is a movement towards genuine partnership where the parties sit equally at the table.

4.4 There is still a long way to go on the journey but the discussions we had and the documentation such as Tāiki ē demonstrated that there is commitment to success and to working together. Implementing the actions in Tāiki ē will be one critical element of that success.

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The journey

4.5 Iwi/hapū have been patient in terms of building strong partnership with the Council. For generations iwi/hapū have not been appropriately included in Council business and have observed many negative consequences as a result, including to the whānau and to the taiao.

4.6 Iwi/hapū have had to endure a local government system that was designed to maintain the status quo, from which they were effectively excluded. There have been very low levels of respect for, and understanding of, tikanga Māori and the mana, rangatiratanga and perspectives of iwi/hapū.

4.7 We heard that the dial is shifting in Te Taitokerau, with stronger levels of understanding and respect in the elected member and management/staff levels of the Council. There are some strong examples of partnership-based approaches emerging, but there is still a long way to go before true partnership is realised in a manner that reflects and respects Te Tiriti, He Whakaputanga, and the mana and rangatiratanga of iwi and hapū.

4.8 There has been impressive work undertaken between tangata whenua and the Council. Clearly the partners in recent times have come together determined to forge a new pathway based on partnership. The work done by TTMAC in relation to the TTMAC Strategic Intent and the subsequent agreement of Tāiki ē are powerful examples. What was apparent was the sense of celebration around how Tāiki ē was developed together, how robust conversations were held, and how the parties emerged as partners committed to Tāiki ē and the implementation plan.

4.9 There is also a recognition that the parties are at a point in an important journey, but not the end point. There is much work still to do, including the successful implementation of Tāiki ē, but also reflecting on what the ultimate goals and next steps in the partnership may look like. The role of tangata whenua in the decision-making processes of Council will be one important consideration on that journey.

Commitment from leadership

4.10 There is clearly a strong commitment from the leadership of iwi/hapū and the Council to build a stronger partnership between the parties.

4.11 It was clear that the iwi/hapū leadership are committed to developing a stronger partnership with Council. That was clear from the fact that, despite the generations of being effectively excluded from Council business, iwi/hapū leaders continued to show leadership in terms of how a partnership could be developed and the importance of that partnership for not only iwi/hapū but for all of Te Taitokerau. That commitment must be acknowledged as a central ingredient in the positive gains that have been made.

4.12 We observed a strong desire within the Council leadership structures to continue the journey that the partners are on. There was a recognition that the requisite standards had not been met in the past and that there was still a lot to do. There was, however, a clearly discernible desire within the Council leadership to form genuine partnerships and to move forward in a meaningful way.

4.13 There were comments made to recognise the strong leadership shown by the chair of the Council and the chief executive who is about to finish at the Council. The same was said of the incoming chief executive who similarly had a strong understanding and motivation to develop strong partnerships. That leadership is also critical.

4.14 There is also a sense of celebration in the Council leadership in terms of the work that had been done to date, and the collaborative way in which that work was done between the parties.

4.15 That commitment is significant as it is not always apparent in local government leadership.

Commitment to embracing Te Tiriti, He Whakaputanga, and tikanga Māori

4.16 It was clear that the partners had worked together to assist the Council to develop a stronger understanding of Te Tiriti, He Whakaputanga, and tikanga Māori. Elected members and staff spoke extremely highly in terms of the opportunity to visit marae and to be educated on tikanga Māori, including through the adoption and implementation of Te Whāriki.

4.17 We also heard from Council leadership of the strong intention to focus on Te Tiriti (rather than the Treaty) and to see the partnership through the tangata whenua lens.

4.18 There is a desire to respect He Whakaputanga, but clearly the partners need to work through how to do that in the Council context.

Strong structures have been implemented

4.19 As noted earlier in this report, there are a number of different structures in place to guide the partnership. That is a positive sign, as it is important to embed the partnership in all of the governance, management and operational layers of the Council.

4.20 We heard positive comments about the valuable role that TTMAC and MTAG have played, and there are a number of other structures and committees in place which are designed to move closer to a partnership approach.

4.21 One matter that was particularly apparent though was the significant personal commitment from the iwi/hapū members that participate in these Council structures (many members are in multiple roles). There is a real need to better support those members including through resourcing.

A plan is in place

4.22 As noted, there has been excellent work done on Tāiki ē that has now been adopted by the Council.

4.23 Tāiki ē was developed following the important foundational work undertaken by TTMAC in its strategic intent document.

4.24 Tāiki ē is an impressive document that was co-designed through a series of workshops where robust discussions were had.

4.25 There are clear actions and accountability/timeframes and budgetary matters identified in Tāiki ē, and there were very positive comments made as to the co-design process for preparing Tāiki ē, and the fact that Council and tangata whenua have a clear action plan they are committed to. The successful implementation of Tāiki ē will be a critical determining factor in the future success of the partnership.

The Council team

4.26 We also heard very positive comments on the role of Pou Manawhakahaere – Group Manager Governance and Engagement and that team in guiding the kaupapa within the Council and within the partnership structures.

4.27 The significant impact that that team is having was plainly visible to us through this process, and must be acknowledged.

There is still a lot to do

4.28 While we heard very positive comments on the progress that is being made and the structures and documents in place (such as TTMAC and Tāiki ē), there was a consistent view that this was a starting point and there is a lot more to do. Importantly, the current approach must be secured through and beyond the local government elections this year.

4.29 Beyond the elections, there are opportunities to implement Tāiki ē effectively, and look to stronger partnerships and structures in the future, particularly in the areas of, for example, shared decision-making and transfers of powers.

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5. PART FIVE: WHAT ARE THE CHALLENGES / OPPORTUNITIES?

5.1 Our assessment identified a number of challenges and opportunities for the relationship between the Council and Māori Tiriti partners and collectives. While many of the Māori focussed groups had indicated a strong support, there were differences in perspective about implementation of Te Tiriti o Waitangi.

5.2 In this part, we consider a number of challenges and opportunities:

(a) the importance of continuing to support a culture shift and increasing staff capability and capacity in Te Tiriti and te ao Māori;

(b) the importance of understanding the internal Māori landscape and the need to protect and safeguard Māori representatives in Council structures;

(c) the importance of ensuring governance and operations align within Council;

(d) the trajectory of the relationship between Māori and the Council over the long-term;

(e) opportunities to support the delegation of decision-making to Māori and co-designing frameworks;

(f) the level of funding and resourcing to deliver on Te Tiriti obligations;

(g) the 'who' question – opportunity for the Council to develop a better understanding of who to deal with and in what context; and

(h) legislative uncertainty as to what can be achieved in the partnership.

A culture shift – increasing staff capability and capacity in Te Tiriti and He Whakaputanga

5.3 A number of Māori groups emphasised that there is a need to continue to support a culture shift within Council. A number of TTMAC members commented that Council do not always fully understand the Māori worldview and the mindset of having to ensure tino rangatiratanga is upheld. Although there have been positive developments over a number of years, many felt that staff capability and capacity within Council remains an issue for improvement.

5.4 Some mana whenua groups supported involving hapū or iwi (perhaps through TTMAC):

(a) to be involved in the recruiting and appointment processes for key staff positions in Council, and to encourage secondments between iwi and the Council (and vice-versa) to enable each party to understand the unique context in which each party operates;

(b) to be involved or have direct input into setting key performance measures for key roles within Council, and monitoring ongoing progress or achievement;

(c) in a secondment framework, so that iwi and hapū could spend a designated amount of time working within the Council structure. Some kaitiaki groups supported the idea of having Council staff be required to work within iwi and hapū groups on secondment, so that Council staff learn of the constraints and limitations that iwi and hapū work within; and

(d) have an open-door policy to allow Māori to raise issues with relevant staff rather than just the Iwi Relationship Manager. Some groups offered to run some 'hapū 101s' which have not been taken up.

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5.5 We received comments that Council staff needed to continue to familiarise themselves with mana whakahono a rohe and their respective hapū management plans. There were concerns expressed that certain mana whakahono a rohe had 'not eventuated into much'.

5.6 Some considered that there is an internal lack of understanding as to the role of the Council as a Tiriti partner. It was also commented that there was inconsistent engagement by the consents team with them as mana whenua, and the type of engagement depended on the particular project at hand and the Council staff working on the project.

5.7 ELT commented that, in respect of He Whakaputanga, the Council does not have a strong understanding of He Whakaputanga and Te Tiriti even though Council staff have had Te Tiriti training. Members of ELT noted there is a need to understand how Te Tiriti aligns with He Whakaputanga and how those principles can be articulated to Council and embedded throughout the Council's key strategic documents and operations.

5.8 ELT commented that it is important for Council to develop the confidence to navigate Te Tiriti relationships and expectations properly. In addition, concerns were also raised around the understanding of what can be achieved within the statutory framework in the context of partnerships with Māori, as it had been suggested that the statutory framework was constraining the ability to move to the next level of partnership (which is not necessarily the case).

5.9 Some MTAG members felt as though internal staff were not always familiar with Māori dynamics and structures.

5.10 Some kaitiaki felt it was positive that the Council has a good understanding of the maramataka, and increased focus on karakia and mātauranga. However, learning and embedding is a long journey.

Understanding the internal Māori landscape and tensions for Māori representatives in Council structures

5.11 We heard from a number of Māori representatives in Council structures, that there are often difficulties in managing hapū and iwi interests / expectations within those Council structures. Māori representatives are required to make decisions on behalf of Māori often within quick timeframes, and sometimes it is difficult to have an opportunity to engage with hapū and iwi when operating within Council timeframes.

5.12 We consider it is important for the Council to be aware of that internal landscape and the challenges that can have for Māori representatives on Council structures. This is something to be borne in mind when setting agendas or in the context of certain action points / work programmes, and the Council should ensure there are sufficient safeguards for those representatives to manage those challenges, such as providing appropriate timeframes for engaging with hapū and iwi and responding to matters.

Ensuring governance and operations align within Council

5.13 Some kaitiaki groups commented that the discussions that take place at a governance level between Māori representative groups and Council do not always filter down to the operational staff. For example, discussions with Councillors are positive but projects are often controlled by key Council contractors or planners who make the operational decisions that can exclude some Māori.

5.14 It was commented that the Councillors are receptive during presentations, but the traction does not filter to an operational level. At the ELT meeting, one member commented that there may be a certain disjunct between governance and operations and that was a 'fair assessment'.

5.15 TTMAC members commented that there is sometimes little awareness of what is happening 'on the ground' and that the Council needs to ensure it maintains a presence at hapū and iwi occasions.

5.16 Some Councillors noted that the process of consents is 'fraught' because there are certain things Māori expect that cannot always be done within the statutory framework. Comments were made that the Council tries to give Māori a longer 'heads up' but the level of discretion the Council has over granting consents is not as much as Māori sometimes think. One ELT member commented, for example, that the legislation does not allow for hapū and iwi to consult forever. However, if Māori had more capacity and resources, they may be able to contribute in a more meaningful way.

5.17 One Councillor at the Councillor's meeting noted that there are structural barriers and there is a 'hands-off' approach to consenting which might not pass the 'partnership' principle under Te Tiriti o Waitangi.

5.18 Some kaitiaki noted that governance discussions can sometimes be characterised as 'lip service and fluffy duck stuff' that do not always 'filter down' into operations.

The trajectory of the relationship over the long-term

5.19 A number of groups we interviewed commented on the positive developments that have occurred in the relationship generally with Council and Māori. However, many noted the steps taken should be viewed with a long-term lens, and in that respect there is still a long way to go to fully embed Te Tiriti and to lay a foundation for working forward together (as discussed in part four).

5.20 The Councillors generally considered that good progress has been made to embed Māori frameworks into Council, particularly through the work TTMAC and MTAG are doing. At a governance level, the Councillors considered that it is positive that there will be Māori Councillors, which will support the willingness to listen and learn for consensus at the Council. Some Councillors cautioned against being lulled into a false sense of security in terms of how the Council is implementing Te Tiriti.

5.21 ELT commented positively that the Council has a willingness and openness to work with Māori. While the Council might not always get it right, there is a genuine desire to do the right thing for Māori. The challenge was that the pace of change is sometimes slower than what Māori might expect.

5.22 ELT were positive about the ability and willingness of the Council to front up when it needed to, and that Council was not 'faceless' but have a direct relationship with Māori. However, Council was not always confident or consistent in their approach but had made some positive developments.

5.23 ELT commented that the Council now has 'reasonable governance systems and processes in place', particularly in relation to TTMAC. ELT commented that, to ensure TTMAC remains influential, it is not perceived as a Council construct by hapū and iwi. There is also a need for better alignment of expectations.

5.24 Relationships were broadly conceived, and included as directing actions, to obtaining funding, facilitation and engagement.

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5.25 A Councillor noted that the Council needs to take the time and invest resources to work with mana whenua to do more joint work together. For example, putting in a submission to government on three waters, resource management law reform etc.

5.26 One kaitiaki noted that there is a need for the Council to know 'who is in the hood', who to consult with and ensure that the Māori liaising teams are trained in the basics of a consent process.

Supporting the delegation of decision-making and co-designing frameworks

5.27 Many Māori commented that there needs to be increased decision-making given to appropriate Māori within the Council structures. Overall, Māori and senior executive management spoke positively about the influence and intention of the Council, but that expectations were not always clear or being met in terms of decision-making of Māori.

5.28 TTMAC in particular made strong comments that TTMAC only making recommendations to Council was not always satisfactory. The level of influence that TTMAC has is positive, but there may need to be more delegations. This was consistent with ELT's view that TTMAC has been a 'good platform' supported by a strong Māori engagement team and frameworks. Some of the TTMAC members are on other working groups, such as the Biodiversity Working Party, Water and Land Policy and Co-Governance.

5.29 Some TTMAC members were positive about the influence that TTMAC has had over the long-term but noted that the challenge is to ensure it has impact across Te Taitokerau generally.

5.30 ELT noted there could be earlier co-design of solutions for hapū in certain areas, for example flood schemes and stop banks. Ultimately, however, the success of these initiatives can come down to resources.

5.31 MTAG commented that their role is largely determined by the Council's agenda and framework, and they do not get the chance or the resources to consider matters of their own motion that are important to Māori. MTAG members considered they also need a space to create their own agenda. Some MTAG members considered that the agenda for MTAG meetings has been pre-determined and resolutions are already drafted. It was also noted that the Council did not clearly communicate back to iwi/hapū how their input has been addressed.

The level of funding and resourcing to support delivery of Te Tiriti obligations

5.32 Nearly all Māori groups within Council (TTMAC and MTAG), and kaitiaki outside of the formal Council structure, raised the issue of funding and resourcing to support capability for and delivery of Te Tiriti obligations. There are a number of threads to consider:

(a) The internal funding of key Māori structures within Council: Members of TTMAC and MTAG noted that the pay for daily fees is low. For TTMAC, there is a set meeting fee for members but the fee only remunerates for attendance at meetings. The meeting fee does not recognise or remunerate for the significant amount of work preparing for meetings or subsequent work post-meetings. Similarly, MTAG members considered the fee structure was not fair given the sometimes very lengthy agendas.

(b) The funding of external kaitiaki groups to deliver on their own aspirations for te taiao and how they want to work with the Council: We received comments that kaitiaki are not well resourced, particularly where they do not have a Treaty settlement unlike some of the other

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Te Taitokerau tangata whenua. Also, kaitiaki individually were not always paid on particular consent projects or applications. Concerns were raised about the level of funding and resourcing and it was noted that kaitiaki staff are involved in the field work but do not want to lead their 'on the ground' projects. It was emphasised that the Council cannot be said to be complying with the spirit and intent of Te Tiriti o Waitangi if it is not resourced and Māori are not given opportunities to lead projects.

5.33 TTMAC commented that the strategic intent and aspirations of the Council also need to be reflected in budget setting across the Council's work programme.

5.34 It was also commented that while resourcing and capacity remained an ongoing issue, there were some positive developments. For example, those sitting on the Tangata Whenua Advisory Panel were finally being paid at a 'normal rate'.

Sharing of information

5.35 Some Māori felt as though information was not shared in an efficient or timely way.

5.36 MTAG members considered that they did not always feel fully briefed, have limited time and do not want to miss opportunities for tangata whenua.

5.37 Some MTAG members commented that the 'feedback loop' does not always exist. Some MTAG members feel as though they do not always know the outcome of a particular issue they have recommended to Council, and if those recommendations were adopted by Council. For example, an insufficient amount of time was provided prior to the Long-Term Plan being reviewed by MTAG.

5.38 Some TTMAC members commented that internal communication between Council staff is not always consistent, and that there needs to be a clear agreed communications strategy internally and externally.

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6. PART SIX: RECOMMENDATIONS

6.1 Our recommendations are set out below:

(a) the partners should develop a shared view of what successful partnership looks like in the immediate, medium and long-term, and plot a pathway towards that, including where appropriate through the evolution of the current structures and the movement towards shared decision-making models and other models (including transfers of powers);

(b) the current state is a positive point in the journey, but it should not be seen as the end point – that must be clearly conveyed, including to the incoming Council, as there is still significant work to be done;

(c) that an agreed work programme be developed that allows the Council and its Treaty partners to identify areas where they share a common objective or view, and then a process for working towards a joint outcome (for example, on major legislative reform such as the RMA or the three waters reform);

(d) the issue of the extent of legislative constraints should be addressed and tested, so the partners have a clear view of what is possible in terms of the future shape of the partnership (in other words, the legislation does not necessarily operate as an impediment to the partnership aspirations of partners);

(e) Tāiki ē should continue to be implemented, funded and reviewed with key performance and review measures that Council and TTMAC can agree on – that is an excellent plan for moving forward and will support a successful long-term partnership;

(f) consider how tangata whenua members of the various structures can be fully resourced and supported to contribute and participate – the current demands on a small number of people are too high and that is not sustainable (including, for example, by partnering on applications for funding from the Crown);

(g) set clear parameters for funding Tiriti partners to participate in Council processes and projects involving mana whenua;

(h) ensure that the Council is clear on which iwi/hapū/other entities it should be talking to in each context and prepare a clear strategy / direction for this. This could also involve building off some of the Tāiki ē actions, for example action 20 and the development of spatial maps etc;

(i) ensure that tangata whenua feedback on proposals (eg through TTMAC and MTAG) is clearly recorded and reported back on;

(j) consult with and/or involve Māori in processes for recruitment and appointment of Council staff (which has been the practice in relation to senior appointments), and to explore opportunities for secondment of Māori to Council or vice versa, as appropriate. In the first instance the Council could undertake a review of its process for appointments and seek further direction / input from tangata whenua on how that could be improved and informed by tangata whenua. For example, the options could include feedback on job description criteria and demonstrating an understanding of Te Tiriti o Waitangi;

(k) implement a regular review of processes for internal communication and planning between governance and operations staff at the Council, to ensure consistency of engagement and delivery on projects and Te Tiriti objectives;

(l) develop (or continue to develop and implement through Te Whāriki) an agreed work plan on building the capability and capacity of Councillors and Council staff in Te Tiriti (as set out in Te Whāriki) and He Whakaputanga, and implement regular reviews of the work programme. The scope of the capability and capacity training programme could be agreed with TTMAC and/or kaitiaki as appropriate, and would include both the historical circumstances surrounding the signing of Te Tiriti and He Whakaputanga as well as contemporary views and perspectives on how those obligations apply today;

(m) develop a clear framework for the identification and appropriate treatment of mātauranga Māori within the operations of the Council and how it can be protected and developed in Tāiki ē. The methodology for the mātauranga Māori framework could be developed in conjunction with TTMAC and informed by the Waitangi Tribunal's Wai 262 report; and

(n) identify the specific issues of Māori in relation to the considering and granting of resource consents and develop a regular plan and review mechanism to respond to issues raised by hapū and iwi.

6.2 We also recommend that this report and its recommendations be presented to the incoming Council. We acknowledge that the priority for the Council was to complete and receive this report prior to the 2022 elections and that the implementation and adoption of the recommendations in this report will need to be considered by the incoming Council.

6.3 Below we set out a table identifying the six priority areas identified by MTAG and, based on the matters outlined in this report, provide a summary assessment of each of those areas. We also provide a competency level for each priority area – the competency levels identified in the Te Arawhiti framework range from 'unfamiliar', 'comfortable', 'confident' to 'capable'.

Summary assessment of six priority areas identified by MTAG (based on Te Arawhiti framework)
1. Governance: Understanding of Māori council relations priorities
For the reasons explained in this report, we consider the Council to be moving towards 'confident' in terms of the Te Arawhiti framework, but there is a way still to go.
2. Relationships with Māori: Relationship management
For the reasons explained in this report, we consider the Council to be moving towards 'confident' in terms of the Te Arawhiti framework, but there is a way still to go.
3. Relationships with Māori: Engagement, partnerships and empowerment
For the reasons explained in this report, we consider the Council to be moving towards 'confident' in terms of the Te Arawhiti framework, but there is a way still to go.

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4. Relationships with Māori: Procurement
We note that this is covered in part in actions 24 and 25 of Tāiki ē, but it will need to be implemented. We consider the Council to be moving from 'unfamiliar' towards 'comfortable' in terms of the Te Arawhiti framework, provided those actions are implemented.
5. Structural: Addressing institutional racism
We note that this is covered in part in action 17 of Tāiki ē – this report discusses the need for ongoing work on cultural competency and understanding of and respect for tikanga and mātauranga Māori in the work of the Council. We consider the Council is moving from 'unfamiliar' towards 'comfortable' in terms of the Te Arawhiti framework, but there is a way still to go.
6. Policy and services: Evaluation
We consider there is more work to do in the area of evaluation and implementing Tāiki ē effectively will be key to that (noting the 'monitoring and review' section at the end of Tāiki ē). We consider the Council is moving from 'unfamiliar' towards 'comfortable' in terms of the Te Arawhiti framework, but there is a way still to go.

APPENDIX TWO: TE RUARANGI STRATEGIC INTENT

Te Taitokerau Māori and council working party

Strategic Intent 2021-2040

Te Pae Tawhiti
Vision 2040

He whenua haumoko
Land that is bountiful

He wai mā
Water that is pure and healthy

He iwi whai ora
People that are flourishing

Te Kaupapa
Mission

He iwi tahi tātou kia ora ai te taiao

Kāwanatanga and rangatiratanga work together for the wellbeing of the environment

Capacity and capability

Ngā Whainga - Desired Goals

1 **Capability**: Tangata whenua are sustained to give effect to their aspirations in council decisions and operations.

2 **Capacity**: Tangata whenua are adequately resourced to participate in council decisions and operations.

3 **Partnership**: Tangata whenua and council work in a Te Tiriti o Waitangi partnership to achieve their shared goals.

Māori representation

Ngā Whainga - Desired Goals

4 **Te Tiriti o Waitangi:** Is upheld and embraced.

5 **Decision Making:** Tangata whenua are equitably represented in all council decisions and operations.

6 **Resourcing:** Tangata whenua are equitably resourced to contribute to council decisions and operations.

Water/marine

Ngā Whainga - Desired Goals

7 **Mauri:** The mauri of waterways and waterbodies is protected, restored and improved.

8 **Mātauranga:** Information is gathered and collated to better understand and improve the health of waterways and waterbodies.

9 **Mana i te wai:** Holistically recognise and provide for tangata whenua who whakapapa to waterways and waterbodies.

Climate crisis

Ngā Whainga - Desired Goals

10 **Te Ao Māori:** Ensure Te Ao Māori is inherent in mahi relating to climate crisis and its impacts.

11 **Advocacy:** Ensure tangata whenua have a strong voice in the development of climate crisis policy.

12 **Implementation:** Provide support and resources to tangata whenua to prepare for and address the effects of climate crisis.

Economic development

Ngā Whainga - Desired Goals

13 **Whai Rawa:** Restore and boost tangata whenua self reliance and self determination.

14 **Whai Mana:** Maximise economic opportunities for tangata whenua.

15 **Whai Oranga:** Economic growth is compatible with the protection and enhancement of ecological, spiritual and cultural values of tangata whenua.

Ngā Tikanga
Values

Titiro ki ngā taumata o te moana - Always remain strategic in our approach/intent/view

Mahi tahi tutuki noa - Identifying opportunities, increased collaboration and completion of projects

Me whakatau mā roto i te kōrero - Resolution through conversation

Kaitiakitanga - Dedicated stewardship by tangata whenua of Te Taitokerau

NOTE In the context of He Whakaputanga me Te Tiriti o Waitangi: The significance and meaning of 'He iwi tahi tātou' (we are two people, one nation), as was used by Governor Hobson in 1840 at the signing of Te Tiriti o Waitangi. Tangata whenua = whanau, hapū and iwi

TITLE: Chair's Report to Council

From: Rae Hetaraka, Executive Assistant to the Chair

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 09 September 2025

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 August 2025.

Ngā mahi tūtohutia / Recommendation

That the report 'Chair's Report to Council' by Rae Hetaraka, Executive Assistant to the Chair and dated 8 September 2025, be received.

Meetings/events attended

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

- 8 August – Attended the blessing of the Rose Street Building, Whangarei
- 25 August – Met with NZ First MP's – Dr David Wilson MP and Andy Foster MP
- 26 August – Dinner with the NZ First MP's

Correspondence

During August I sent out the following correspondence:

Date	Addressed To	Subject
19 Aug 2025	Hon Shane Jones MP	Petera House – Ownership Concerns and Whānau Engagement

Attachments/Ngā tapirihanga

Nil

TITLE:	**Chief Executive's Report to Council**
From:	Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer
Authorised by Group Manager/s:	Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer, on 17 September 2025

Ngā mahi tūtohutia / Recommendation

That the report 'Chief Executive's Report to Council' by Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer and dated 26 August 2025, be received.

8.2.1 HIGHLIGHTS

Maritime

It's been another busy month for the maritime team. There were 10 maritime incidents reported in August, most involved vessels drifting onto rocks or sinking on moorings. A large vessel with around 100 litres of diesel onboard sunk on a mooring in Urquharts Bay, Whangarei harbour. Absorbent booms were deployed around the wreck to contain fuel leaking from the vessel and an isolated danger marker positioned to warn of the navigational hazard. With the assistance of commercial divers, the vessel was refloated – a process which took 2 days.

Boom deployment around Urquharts Bay wreck

Another large vessel sank in Houhora also with diesel onboard. The weather was particularly bad that day so no remedial action could be taken, but local stakeholders and Iwi were informed, and the vessel was raised the following day by divers.

Work on the rolling Aids to Navigation maintenance schedule continues with buoys and beacons throughout the Bay of Islands being serviced and painted.

The navigational safety bylaw 2025 was adopted and the next stage is to agree the enforcement schedule with the Ministry of Transport before the bylaw can come into force.

The team is preparing for another busy summer period, with the Waikare II in Whangarei and completed some contract work for Northport before a hauling out briefly for some warranty work. (Replacement pane of glass and new water coolers.)

Flood mitigation works
Significant work has been achieved across multiple catchments during this years construction season, with delivery having been brought forward largely due to additional government funding support (please see the update below for details).

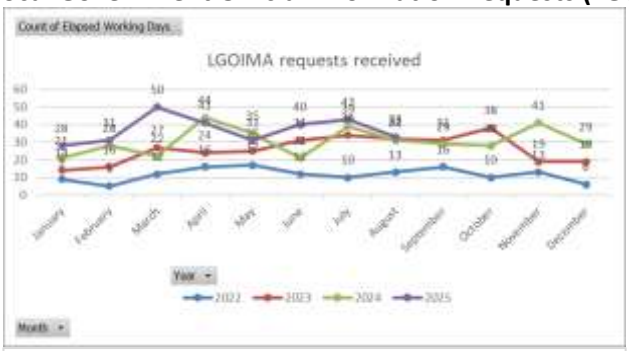
Considerable work is also underway modelling and mapping in preparation for the development of our next Flood Infrastructure Strategy, which will be prepared as part of the next LTP. One example is in the Kerikeri-Waipapa catchment, where flood modelling is currently being upgraded using the latest 2025 LiDAR and HIRDS V4. HIRDS (NIWA- High Intensity Rainfall Distribution System) provides estimates of rainfall return periods for event duration, this is the rainfall data that the model uses to estimate flood frequency. Each version of HIRDS uses the latest data to update the model, the latest version uses approximately 18% more rainfall than the previous version. The team are receiving model runs and are working on QA and with the peer reviewer. The Keri-Kerikeri-Waipapa Flood Working Group recently confirmed the 2 mitigation options to model, which will help inform the future planning. FNDC agreed to fund a model run using current planning for Maximum Probable Development (MPD). In addition, a model run with K3A Dam and the spillway were agreed. These model runs will help inform the working group on potential flood mitigation options for consideration as part of the next LTP. The new flood maps will also replace the existing 2019 flood maps on NRC web page.

8.2.2 CORPORATE SERVICES

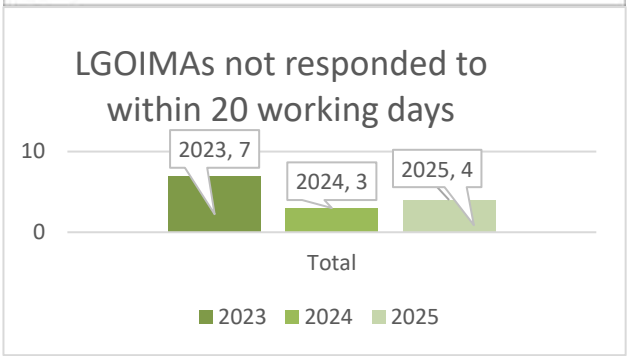
Fraud, Corruption and Dishonesty Statement
There are no new fraud investigations to report or any new incidents or suspected incidents of fraud at this time.

Economic Development
- Enabling Investment – letters sent to Northland Inc setting out conditions associated with provision of funding agreed to by the Joint Regional Economic Development Committee regarding inward delegations and Tuputupu Grow Northland programme.
- Northland Infrastructure Plan – participating as member of Project Steering Group, including provision of information and commentary on Northland's economy.
- Environmental Scan – prepared initial draft for ELT strategic discussion.
- Input into development and prioritisation of UNISA Infrastructure Plan and supplied data on Northland businesses to assist Northland Inc application for additional Regional Business Programme resource.

Local Government Official Information Requests (LGOIMA)



In August 2025, we received 33 LGOIMA requests, two more requests than at the same time in August 2024.
The overall trend shows an increase in LGOIMA requests each year, with 56 more requests compared to the same period in 2024.



This month, one LGOIMA request was in breach due to not being transferred to the appropriate organisation for response within 10 working days. NRC is in communication with the requestor and are endeavouring to provide the information requested.

8.2.3 REGULATORY SERVICES

Current Legal Proceedings

Department	Description	Status
Consent decision appeal	Proposed port expansion project to include reclamation and port activities	Te Parawhau has notified the Court that it has withdrawn its Section 274 notice and is no longer involved in the appeal proceedings. This means all parties have now resolved their issues with this appeal. The Applicant provided the Court with a memo on 20 August 2025 advising that it anticipates being in a position to file the Appeal Resolution documents by 30 September 2025.
Consent decision appeal	New groundwater take at Tautoro (south of Kaikohe) for irrigation of a proposed avocado orchard	One appeal was received from Te Riingi Marae. The Environment Court has agreed to postpone Court assisted mediation until mid October 2025 to allow the applicant and appellant to continue to engage in discussions to resolve the appeal. The applicant is to advise the Court whether parties wish to proceed or not proceed with mediation.

Consents Update

During August 2025, a total of 81 Decisions were issued. These decisions comprised:

• Moorings	1
• Coastal Permits	25
• Land Discharge Permits	3
• Water Discharge Permits	3
• Land Use Consents	32

• Water Takes	8
• Bore Consents	9

Twenty-eight applications were received in August 2025.

Of the 122 applications in progress at the end of August 2025:

- 31 were received more than 12 months ago;
- 11 were received between 6 and 12 months ago (most awaiting further information from the applicant);
- 80 less than 6 months.

Appointment of Hearing Commissioners

- No commissioners were appointed in August 2025.

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

The current level of notified application processing activities at the end of August 2025 is *(by number)*:

• Progress on Applications Previously Notified	3
• Appeals/Objections	2

Compliance Monitoring

The results of compliance monitoring for the period 1 to 31 August 2025 (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
Air Discharge	11	11	0	0	0
Bore Consent	1	1	0	0	0
Coastal Discharge	19	14	3	2	0
Coastal Permit	15	15	0	0	0
FDE - Discharge permit	58	43	0	14	1
FDE – Permitted activity	26	18	0	7	1
Land Discharge	72	52	12	8	1
Land Use Consent	61	56	1	2	2
NES-F	95	70	25	0	0
Water Discharge	54	30	6	18	0
Water Permit	32	30	1	1	0
Water Take	149	117	24	8	0
Total	**593**	**457**	**72**	**60**	**4**
Percentage		**77.1%**	**12.1%**	**10.1%**	**0.7%**
Year to date	**1098**	**851**	**133**	**107**	**7**
Percentage		**77.5%**	**12.1%**	**9.8%**	**0.6%**

Municipal wastewater treatment plant compliance/enforcement

WWTP/Consent Status	Compliance for last 12 months	Compliance for last 3 months	Enforcement Action/Response
Ahipara Expires 2033			Under ANs (reissued in September 2022). Median FC concentration is now compliant. 90th percentile is still non-compliant due to high historic results. E. coli downstream exceed guideline values. Remedial actions have been completed. Further maintenance scheduled.
Kaiwaka Expires 2049			Under AN (issued in August 2025) Median and 90th percentile exceedances for FC. E. coli also exceeding RC limits. Numerous overflows from the pond. Enforcement action taken.
Kohukohu Expires 2026			Under AN Self-monitoring was not being undertaken correctly. FC and ammoniacal nitrogen exceed consent limits. Discharge volumes have also exceeded RC limits on some occasions.
Hikurangi Expired June 2025 (replacement consent application being processed)			Under AN TSS, BOD5 and E. coli results continue to be above RC limits for median and 90th percentile.
Taipā Expires 2029			Moderate non-compliances for FC exceeding 85th percentile and TN exceeding RC limits. Working group trialling options to improve treatment and working towards a land-based discharge.
Whatuwhiwhi Expires November 2025 (replacement consent application being processed)			Moderate non-compliances for TSS exceeding RC limits. Self-monitoring not being undertaken in accordance with consent requirements. Far North District Council exploring options for plant upgrade alongside consent renewal.
Opononi & Ōmāpere Expires 2027			Under ANs Moderate non-compliances for BOD, ammoniacal nitrogen, E. coli, and TSS. Multiple days where discharge volume exceeded consent limit.

WWTP/Consent Status	Compliance for last 12 months	Compliance for last 3 months	Enforcement Action/Response
Paihia Expires 2034			Under AN Moderate non-compliances due to ammoniacal nitrogen exceeding RC limits for 90th percentile. Some results missing.
Rāwene Expired 2023 (replacement consent being processed)			Discharge volumes, FC, ammoniacal nitrogen and TSS exceed consent limits. Remedial work scheduled.
Kaitāia Expired 2021 (decision on replacement consent due soon)			Under AN (for reticulation overflows). Ongoing works on reticulation system. Some sample results missing. RC limits for percentiles exceeded. Discharge volume exceeding consent limit.
Hihi Expired 2022 (replacement consent being processed)			Ammoniacal nitrogen and E. coli exceeding RC limits. Some self-monitoring results missing.
Kaikohe Expired 2021 (replacement consent being processed but also listed Fast-track proposal)			Under AN Discharge volumes and other self-monitoring results missing.
Kawakawa Expires 2036			Moderate non-compliance due to 90th percentile for E Coli being exceeded in historic sample. Some results missing.
Russell Expired 30 April 2024 (replacement consent being processed)			Under AN Leachate volumes discharged to treatment plant have exceeded RC limits.
Ruakākā Expires 2046			Elevated ammoniacal nitrogen levels in some sampling bores, however investigations showed that no elevated levels were found in the receiving environment.

WWTP/Consent Status	Compliance for last 12 months	Compliance for last 3 months	Enforcement Action/Response
Rangiputa Expires 2032			None currently. Moderate non-compliance for sampling not undertaken in accordance with RC conditions.
Maungaturoto Expires 2032			<u>Under AN; IN issued September 2024</u> No issues currently. Low risk non-compliance for late submission of results.
Ngunguru Expires 2035			None currently. Historic result still affecting 95th percentile for E. coli.
Tutukaka Expires 2054			Moderate non-compliance for historic elevated E. coli.
Te Kōpuru Expires 2044			Dry weather flows have exceeded discharge limit on several occasions. Some missing results.
Kāeo Expired 2022 (replacement consent being processed)			Some self-monitoring results missing.

WWTP/Consent Status	Compliance for last 12 months	Compliance for last 3 months	Enforcement Action/Response
Whangārei City Expires 2045			Under AN for odour from plant. Additional odour controls being implemented. Moderate non-compliance for ongoing incorrect reporting and TSS exceeding consent limit. Whangarei District Council working on remediation. Reticulation issues relating to the Whangarei Heads sewerage line and pump stations are being managed. Investigations for long term remediation are underway. There have been no overflows for more than six months. Additional information is available from WDC website.
Dargaville Expires 2043			Under ANs None currently. Low risk non-compliance for missing results.
Ōākura Expires 2025			None currently.
Kerikeri Expires 2036			TSS exceeded 90th percentile consent limit.
Mangawhai Expires 2042			Under ANs; IN issued September 2024 Enforcement relates to odour. Low risk non-compliance for exceedance of TDS on one occasion.
Portland Expires 2054			None currently.

WWTP/Consent Status	Compliance for last 12 months	Compliance for last 3 months	Enforcement Action/Response
Waipū Expires 2030			None currently.
Glinks Gully Expires 2034			None currently.
Waiōtira Expires 2030			None currently.
Compliance Status			
Full compliance			
Low risk non-compliance			
Moderate non-compliance			
Significant non-compliance			

Options for addressing long standing matters of resource consent non-compliance and consent applications that have been expired for more than 12 months were discussed at the 19 August 2025 Audit and Risk Committee meeting. The committee endorsed the recommendation to increase 'high level' enforcement action (more enforcement orders and/or prosecutions) for consent non-compliance where there is no good reason for implementing remedial action, and less leeway for delays in consent processing.

Farm dairy effluent (FDE) monitoring

FDE inspections commenced in August 2025. A total of 699 farms are scheduled for monitoring (199 permitted activities and 500 consented farms). Comparisons of this season's results with last year (at the same time) are given in the tables below.

Consented farms

Full Compliance		Moderate Non-Compliance		Significant Non-Compliance	
This Year	Last Year	This Year	Last Year	This Year	Last Year
43	106	14	20	1	12
74%	77%	24%	14%	2%	9%

Non-consented farms

Full Compliance		Moderate Non-Compliance		Significant Non-Compliance	
This Year	Last Year	This Year	Last Year	This Year	Last Year
19	42	7	4	3	5
71%	78%	24%	13%	5%	9%

Court Cases Update

Litigation	Next Court Event/Action
Enforcement Order and Prosecution Environment Court Earthworks and vegetation removal in a wetland	NRC has approved the Remediation and Mitigation Plan which was a requirement of the Enforcement Orders issued on 20 January 2025. Judicial conference scheduled for 3 September 2025. Charges for prosecution served on defendants on 25 July 2025.
Enforcement Orders District Court Farm dairy effluent and silage discharges relating to five farms	Enforcement Orders issued for five farms on 5 May 2025. Joint memorandum filed in August 2025 to vary some dates in the orders by agreement.
Interim Enforcement Orders Environment Court Discharge to air from the manufacturing of Asphalt and open burning	On 23 June 2025, the parties filed and served a joint memorandum advising that the respondents plan to dismantle and remove the asphalt plant from the site permanently and are no longer pursuing a resource consent for bitumen batching activities on the site. The respondents requested additional time to complete the dismantling process. The matter was accordingly adjourned until **23 January 2026**. The parties are directed to file and serve a reporting memorandum with the Court on or before 23 January 2026, including an update on the site works and the position on the undertaking and orders sought.

8.2.4 ENVIRONMENTAL SERVICES

BIODIVERSITY

Coastal - CoastCare

Several CoastCare planting days/working bees were held in August:

- Langs Beach dune reshaping and planting - https://www.nrc.govt.nz/our-northland/story/?id=82205
- Ahipara weeding and planting with Ahipara School
- Ngunguru dune planting and weeding with Ngunguru School
- Uretiti dune planting day with Bream Bay Adventist Christian School

Photos, clockwise from top left: Langs Beach, Ngunguru, Uretiti and Ahipara

Lakes

Staff supported the Department of Conservation and Te Uri O Hau Environs at a planting day at Kahuparere on the Poutō Peninsula. Plants were supplied by Kaipara Moana Remediation Project.

Photo: Planting day at Poutō Peninsula

Terrestrial

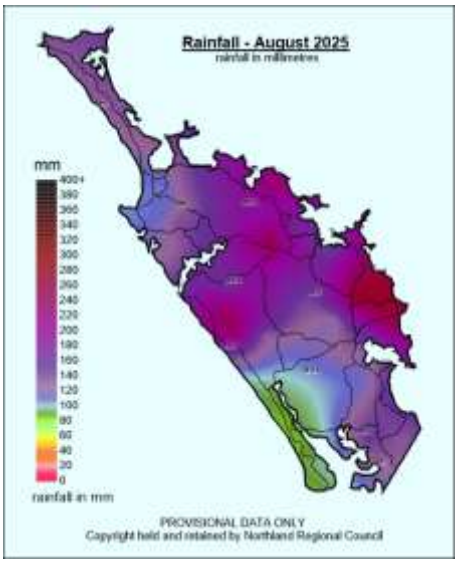
NRC hosted the Northland Regional Bat Hui involving sector groups and community. A presentation was given to Te Pou Taiao o Patuharakeke presenting the results of a survey on pekapeka (bats) NRC assisted them with in the Ruakākā area. Staff completed a values assessment report on Pukepoto Maunga, an important forest reserve on a volcanic cone at Glenbervie.

NATURAL RESOURCES

Hydrology

Rainfall

- The Northland region averaged 154mm of rainfall during August, or 94% of normal expected median long-term rainfall.
- The highest rainfall totals for the month were recorded at the Ngunguru at Dugmores Rock recording station with 255.5mm, 133% of normal expected, and at the Waimamaku at Weka Weka Road recording station with 239.5mm, 88% of normal expected rainfall.
- The lowest rainfall totals for August were recorded at the Kaipara Harbour at Pōuto Point recording station with 89mm, 72% of normal expected, and the Awaroa at Wallace Road recording station in Ruawai with 90mm, 60% of normal expected rainfall.



River Flow

- Northland river flows for the primary monitored catchments were “Normal” to “Above Normal” for August.

Groundwater

- Groundwater levels in Northland’s key monitored aquifers were “Normal” to “Above Normal” for August.

Science
The Te ora o te Taiao ā-Takutai Moana / State of Environment (Coastal) 2024 report was published this month, which draws on extensive work by NRC, including regulatory, scientific, biodiversity and biosecurity monitoring. The report can be read here.

POLICY AND PLANNING
The Resource Management (Consenting and Other System Changes) Amendment Act 2024 came into effect on 21 August 2025.

Key changes relevant to NRC include:

1. Infrastructure and Energy
    - Renewable energy and wood processing consents must be decided within 1 year of lodgement.
    - Default duration for renewable energy and long-lived infrastructure consents is 35 years.
    - Lapse periods for renewable energy consents increased from 5 to 10 years.
    - Coastal permits for port companies extended to 30 September 2046, with mandatory reviews by 2027. Ports gain requiring authority status for landward operations
2. Farming and Primary Sector
    - Reducing regulatory overlap between RMA and Fisheries Act.
    - Provision for marine farms to innovate and adopt to new technologies by making it easier to change or cancel conditions of consent for marine farm consents
    - constraining the ability of councils to carry out marine farm consent reviews and extending the process for reviewing marine farm consent conditions until 3 September 2030.
    - Changes to size threshold when farm require Freshwater Farm Plans and types of farms that must have certified FWFPs. Industry organisations can also now deliver certification and audit services.
3. Emergency and Natural Hazards
    - Natural Hazards: Councils can decline land use consents if significant risks are present. Hazard-related rules in proposed plans have immediate legal effect.
    - Emergency Powers: Governor General can make regulations to respond to emergencies. Consent application deadlines for emergency works extended from 20 to 30 working days
4. System Improvements
    - Compliance Enforcement: Environment Court can revoke or suspend consents for repeated non-compliance. Consent decisions may consider applicant's compliance history.
    - Penalties:
        - Individuals: Max fine increased to $1 million; imprisonment reduced to 18 months.
        - Companies: Max fine increased to $10 million.
        - Insurance against fines is now unlawful.
    - Consent Review: Applicants can review draft conditions before decisions are issued

5. Smooth transition to new resource management system
    - stop to notified and non-notified RMA plan changes until 31 December 2027, with some exemptions for important work that aligns with Government priorities
    - introducing a new regulation-making power that will allow the Minister to recommend changes to or removal of parts of RMA plans and policy statements that are holding back economic growth, development or job creation

8.2.5 BIOSECURITY

INCURSIONS

Freshwater Gold Clam

A draft *Corbicula sp. (*gold clam*) a*nd Check, Clean, Dry operational plan and budget has been completed for the 2025 – 2026 season. The focus is on promoting adherence to Check, Clean, Dry practices before visiting Northland's freshwater lakes and rivers, with particular emphasis on the required 48-hour dry time if washing down equipment and boats transferring from one waterway to another.

The plan introduces a self-certification portal, following the approach used by Bay of Plenty Regional Council and Te Arawa Lakes Trust in Rotorua. Users will complete a survey detailing their watercraft type, region of origin, and confirm they have checked, cleaned, and dried specific areas of their watercraft (e.g. anchor wells, kayak paddles). The portal will be promoted through signage at selected Northland boat ramps and supported by the ongoing biosecurity checkpoint at Kai iwi Lakes, now in its third year.

Freshwater Gold Clam -*(Corbicula fluminea)*

Self-certification will be further supported by the inclusion of invasive freshwater gold clam in the proposed RPMP. Additional measures, such as an automated gate at Lake Taharoa – similar to the one at Lake Okataina in Rotorua could further strengthen protection.

The newly formed Taharoa Domain Gold Clam Working Group held its second meeting on 13 August. Members were asked to describe what a "gold standard" biosecurity response to gold clam at Kai Iwi Lakes would look like. The consensus was that the full exclusion of watercraft is the gold standard to prevent the incursion of gold clam at Kai Iwi Lakes. There was strong support for a scientific, risk-based approach to lake access, the integration of cultural values and mātauranga Māori in lake protection and strong support for education as a key tool.

MPI also held a gold clam surveillance meeting in August. Research has identified that the best chance of early detection is by utilising paired visual and eDNA surveillance. NRC is working with MPI to determine the most appropriate visual sampling tool that can be used as part of our surveillance programme. NRC currently conducts eDNA sampling in nine lakes across Te Taitokerau, both pre-summer and post-summer. In 2025, this will expand to include selected large irrigation dams and rivers.

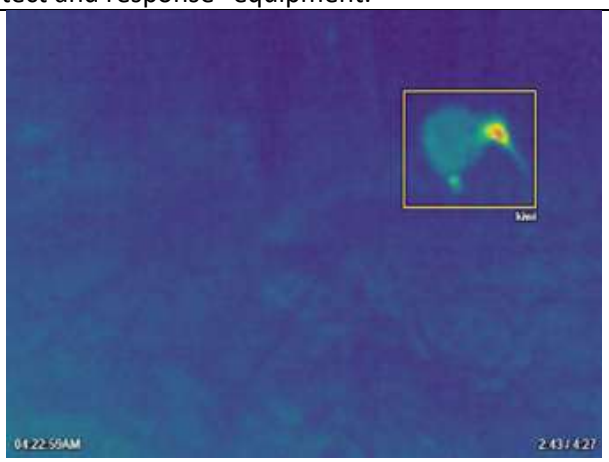
PREDATOR FREE

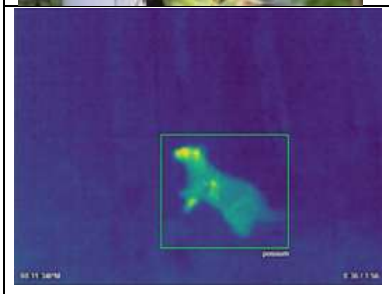
Smart Pest Control Tech

The innovation of new traps and baiting technology is making a difference for staff by saving on servicing time, a reduced number of landowner visits, increased data, and enabling AI to efficiently classify images.

Cacophony AI Camera

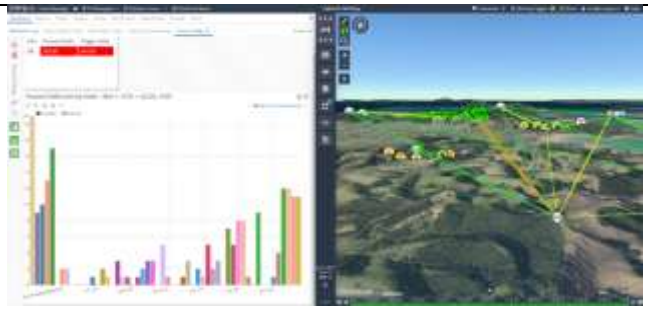
Professional pest management starts with good monitoring. The Cacophony AI Camera (CAIC) provides an almost live feed of what is happening in the field. Paired with an Automatic Lure Dispenser (ALD) which encourages nearby possums and other animals to visit, the CAIC captures their heat signature (thermal imaging), identifies the animal using highly accurate AI technologies, and displays the results on a web-based dashboard. This allows the field officers to rapidly respond to pest incursions and deploy "detect and response" equipment.





AT520-AI Trap

The AT520-AI trap is a step forward in pest control and is a multi-species, self-resetting, self-rebaiting, remote communicating, non-target safe kill trap. The AI-enabled technology automates the processing of images and allows species selective arming, protecting native and non-target species. The network of traps connects to Yarn Mesh's wireless technology, providing extensive, reliable connectivity across large and complex landscapes. It houses a solar panel for perpetual power and a long-life lure that can last up to 18 months. Having the ability to leave these devices in the environment long-term is a benefit, especially around sensitive landowners or specific times of the year (i.e. calving or lambing.)



Possum Spitfire

The Spitfire will be the latest edition to our arsenal - a self-resetting bait-station!

The Spitfire can stay safely contained out in the environment for up to 12 months, deploying a specifically calculated dose of Double Tap (DT), just enough to kill a single possum, but only deploying when a possum has satisfied the traps' possum-specific triggering mechanics.

The Spitfire is triggered by a combination of the treadle plate weight while simultaneously breaking a sensor beam. The result is a precise dosage of DT squirted onto the abdomen of the possum, which it in turn licks off its fur and dies shortly after. There are no secondary poisoning risks to non-target animals, such as hawks, wandering stock, or domestic animals.

PEST PLANTS

Taiwan Cherry

Taiwan cherry (*Prunus campanulata*) is in flower and there has been the usual increase in activity and interest from the community, as it is the best time to spot and control them. Taiwan cherry is widespread in Northland, but it is particularly bad around our bigger urban centres where it was widely shared and planted in the past. The mature trees seed prolifically, grow rapidly and displace other native species. In areas with lots of seed sources, they are often one of the first species to colonise slips and forest gaps and along road corridors. One of the main impacts they can have is on diversity; unlike native plant communities with a mix of species like harakeke (flax), kōwhai, pūriri and pōhutukawa, which collectively provide year-round food for native birds, Taiwan cherry only provides enough nectar for a few weeks.

Through our partnership programs we provide training and equipment for community groups and landowners to support them tackling Taiwan cherry in their neighbourhoods. Two new groups have recently reported great results with the Kerikeri Golf Course volunteers removing 345 Taiwan cherry in August, and the 'Opua Pest Plant Patrol' group taking out approximately 3,000 over the last few months. Tutukaka Landcare's S.W.A.T (Specialist Weed Assistance Team) continued to build on the great work undertaken over the last two years, controlling another 280 trees of varying sizes.

8.2.6 STRATEGIC PARTNERSHIPS AND ENGAGEMENT

Te Tiriti Partnerships and Engagement

The farewell of Whaea Nora

It is with deep appreciation and aroha that we acknowledge Whaea Nora Rameka from her long-standing role within Te Ruarangi. Whaea Nora has been a steadfast advocate for her people, bringing wisdom, integrity, and unwavering commitment to the kaupapa of tangata whenua representation and partnership.

Whaea Nora gives her final speech.

Her contributions to the development and evolution of Tāiki ē, the council's Te Tiriti strategy and implementation plan, have been instrumental in shaping a future grounded in equity, respect, and collective action. As she steps back from her formal role, Whaea Nora passes the mantle to Kipa Munro, a respected Ngāti Rēhia leader whose deep connection to the people and the taiao.
We thank Whaea Nora in her formal capacity, we do so with immense gratitude for her legacy of service and the enduring impact she leaves on Te Ruarangi, Tāiki ē, and the wider council whānau.

Cross-Council Hui (WDC, FNDC, KDC and NRC)
The Māori relationships teams across Kaipara District Council (KDC), Far North District Council (FNDC), Whangarei District Council (WDC), and Northland Regional Council (NRC) have been meeting monthly to strengthen collaboration and strategic alignment across Te Taitokerau.
These hui provide a vital space for collective planning, shared learning, and coordinated action that amplifies impact across councils.

The focus of these gatherings is to align kaupapa Māori approaches, enhance the visibility of Te Tiriti commitments, and support unified mahi that reflects the aspirations of tangata whenua. The hui also serves as a platform to discuss pressing issues such as local elections, the climate crisis, and long-term strategic direction.

Tū i te ora Scholarship
The *Tū i te ora* Scholarship has been updated to better reflect council's commitment to Te Tiriti o Waitangi and the revitalisation of te reo Māori.
Key changes include:

- Eligibility now includes students studying Te Reo Māori and Tikanga at Level 4 or above.
- The scholarship's purpose has been updated to: *"Northland Regional Council's Tū i te ora Scholarship supports students doing study, research, or training that connects to the council's environmental work and Te Tiriti partnerships."*

These changes strengthen the alignment between the scholarship programme and council's strategic goals in environmental stewardship and tangata whenua engagement.

Community Engagement
Local elections campaign
During August, the Community Engagement team supported the 2025 local elections by preparing candidate information and delivering a multi-channel campaign to encourage voter participation.
Key activities included:

- Filming and publishing 90-second candidate videos on the Candidates page, where visitors can view profile statements and videos.
- Rolling out a region-wide communications campaign using digital advertising, social media, signage, billboards, posters, and handouts to raise awareness of the elections and promote voting for regional council.

Interactive Careers Event – Find Your Future

Held at Pāmu's Kapiro Farm in the Far North, this biennial event engaged around 80 intermediate and secondary students from five schools. Delivered in partnership with the Whangārei Agricultural and Pastoral Society, the event showcased professional primary industries through hands-on stations in veterinary science, forestry, horticulture, and auctioneering.

Running a mock auction.

Carrying out a veterinary dissection.

Project Pest Control Assessment Workshops

Two workshops were held at Kiwi North, Whangārei, due to high demand. Students demonstrated strong theoretical and practical skills in pest control, including trapping, plucking, and skinning techniques.

Enviroschools Facilitation

Enviroschools Facilitators engaged with nearly 80 communities through in-person visits and online sessions, supporting environmental learning and community-led sustainability initiatives.

Community engagement support for the business

Throughout August, the Community Engagement team provided support to help achieve council objectives including:

- **Marine protected areas** – Supported strategic relationship-building for marine protection, including preparation of materials for Customs, Northland marinas, and other key partners. This work contributes to reaching priority audiences for Moana Ora initiatives.
- **Whangārei Urban Flood Strategy** – Collaborated with Whangarei District Council on initial communications for the Whangārei Urban Flood Strategy, supporting public awareness and stakeholder engagement.
- **Īnanga spawning map** – Supported the development of the īnanga spawning map with a flyer, website information, internal comms, and stakeholder correspondence.
- **Biodiversity:** Supported the development of the Biodiversity Annual Report. Provided communications support to CoastCare to tell the story of an NRC-supported dune restoration project, Ngunguru School Earth Ed, through a range of channels including video, newsletter, and social media. This content will also be used in upcoming CoastCare workshops.
- **Biosecurity:** The team supported multiple biosecurity initiatives, including:
    - Launch communications for the deer incursion programme and a public survey.
    - Strategic planning for freshwater gold clam/CCD and HPAI.
    - Public engagement on roadside weeds and marine pests, including summer campaign planning.
    - Development of a social media video highlighting kiwi protection.
    - Communications support for the upcoming launch of *Tiakina Kerikeri*.
- **Transport:** Delivered city-wide communications in partnership with CityLink and WDC to support the reopening of the Rose Street bus hub in Whangārei.
- **Land management:** Supporting the team with communication on the tangata whenua and community catchments fund.
- **Science:** Delivering a campaign for the release of the Te ora o te taiao ā-Moana | State of the Environment Coastal report, incorporating social media, e-news and media brief.

Media liaison

Three Northland Regional Council media releases were created and distributed throughout Te Taitokerau and beyond during August:

- **Infringement notice fines to rise from September**
- **Public help sought to find 'Mickey Mouse' in gardens**
- **Twenty-three put names forward for Northland Regional Council**

A further five "in brief" items went out to media:

- Rose Street bus hub reopening
- Backyard rat trapping
- Weeds workshops turnout
- Release of State of the Environment (Coastal) 2024 report
- Launch of Electrify Te Taitokerau.

Media activity generated 62 items mentioning Northland Regional Council, with the majority assessed as positive or neutral in sentiment (source: Truescope).

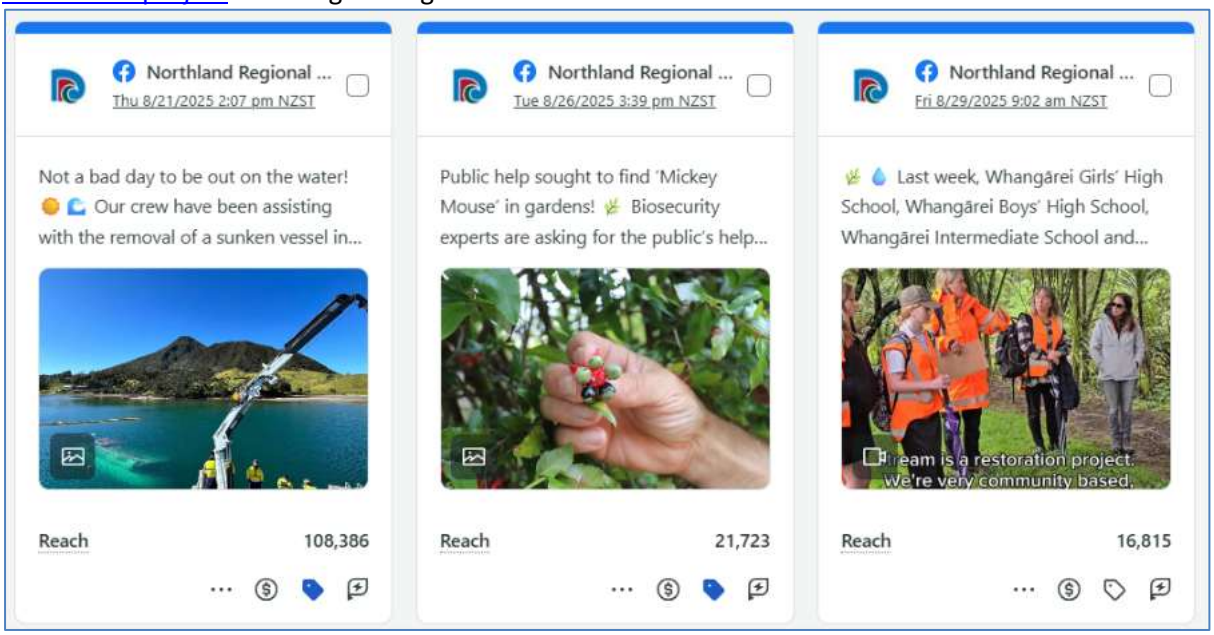
Digital engagement

Overall performance across social media platforms:

Profile	Audience	Net audience growth	Published posts	Impressions	Engagements	Engagement rate (per impression)	Video views
Reporting period	22,772						

Profile	Audience	Net audience growth	Published posts	Impressions	Engagements	Engagement rate (per impression)	Video views
1 – 31 August	↑1.9%	434 ↑110.7%	60 ↑25%	366,544 ↑29.9%	21,472 ↑26.8%	5.8% ↓2.5%	137,674 ↑23.2%
Compare to 1 – 31 July	22,349	206	48	282,127	16,934	6%	111,741
Facebook	15,634	152	10	270,909	18,376	6.8%	52,512
LinkedIn	3,810	68	1	2,404	198	8.2%	0
Instagram	2,730	214	19	93,231	2,865	3.1%	83,957
YouTube	598	0	30	N/A	33	N/A	1,205

Top three posts reaching the most people:
Photo of the maritime team assisting in removal of a sunken boat in the Whangārei harbour, media release asking for public help in identifying mickey mouse plant, and a reel of Waiarohia stream restoration project featuring Whangārei schools.



Reach: total number of people who saw the content.

Sentiment: Positive responses on the following reels; Ngunguru School planting day, flood protection, economic development and the Waiarohia stream restoration project. There were a few responses about the number of weeds along Northland roadsides.

eNewsletters distributed during this period:

- Coastcare | Tiaki Takutai - Subscribers: 401, Open-rate: 38.6%
- Land management tāngata whenua engagement pānui - Subscribers: 533, Open-rate: 31.2%
- Environmental Leaders Fund 2025 - Subscribers: 300, Open-rate: 41.8%

Top three website pages:

- Pest Control Hub
- Environmental Data Hub
- Our Northland

Key Performance Indicators	Apl-25	May-25	Jun-25	Jul-25	Aug-25
WEB					
# Visits to the NRC website	81,162	39,111	34,494	79,477	40,440
E-payments made	15	13	14	56	44
# subscribed web alerts (cumulative)	1,690	1,709	1,722	1,730	1,741
# subscribed to eNewsletters (cumulative)	5,595	5,586	5,588	5,571	5,577
CDEM SOCIAL MEDIA (CUMULATIVE)					
# CDEM Facebook followers	38,595	38,813	38,823	39,665	39,647
# CDEM Overall Facebook Reach (30D)	863,803	273,378	78,620	497,513	54,889

8.2.7 COMMUNITY RESILIENCE

Transport

Draft Regional Public Transport Plan 2025 – 2035 (RPTP)

Staff are updating the draft plan to incorporate NZTA feedback and maintain compliance with Government directives. The plan remains on track for council approval by the end of the financial year, with public consultation scheduled for February 2026.

Rose Street Bus Terminus

The official opening of the Rose Street Bus Terminus was held on Friday 8 August 2025 with councillors, the Mayor, and representatives from Whangarei District Council (WDC) and Northland Regional Council (NRC) in attendance. Passenger feedback on the upgraded facilities has been

positive, with the improved comfort and convenience well received. A small amount of minor vandalism has been reported but has not affected operations.

CityLink Refresh Project
The Transport team are undertaking a review of the CityLink bus network in Whangārei ahead of the contract renewal in 2027. Early work has focused on gathering insights from other regional councils (Horizons, Waikato and Hawke's Bay) and a sector consultant on the approaches that proved effective in similar network reviews.

Key stakeholder meetings have been held with Whangarei District Council, Whangarei Airport and Sport Northland; engagement is also planned with the hospital. The team will present on the project at a major stakeholder forum on 4 December 2025.

CityLink & SchoolLink Fares Increase
The fare increase for CityLink and SchoolLink services was successfully implemented on 1 August 2025. All bus Bee Card devices (BDC units) on the buses were thoroughly tested and updated to reflect the new fare changes. Communications were sent directly to all 8500 Bee Card users and timetables were redesigned and updated to incorporate the new fares. The team worked collaboratively to ensure a smooth transition and effective public awareness, supporting passengers through this change aligned with central government requirements and regional funding adjustments.

Total Mobility Scheme (TM)
Total mobility Trips and client travel for August 2025:

- Whangarei – 1,636 clients undertaking 4,673 trips

Far North – 458 clients undertaking 316 trips

Total Mobility – Kaitaia
The Total Mobility scheme is now fully operational in Kaitaia, following the establishment of Driving Miss Daisy as the local transport provider. This marks a significant step in improving accessible transport options for people with disabilities and older adults in the Far North.

Civil Defence
Operational Overview
The Northland CDEM team continues to strengthen its engagement with key stakeholders and communities. The Group Emergency Manager has participated in both regional and national forums, including SIG and leadership group meetings, as part of his integration into national initiatives and reforms.

Ongoing activities such as Marae Preparedness workshops, Community Response Group (CRG) hui, and inter-agency engagement are focused on enhancing local resilience and readiness.
A recent Northland Lifelines Group meeting provided sector updates and key infrastructure briefings. Presentations included an overview of Northland's priority routes review, regional waste management capabilities, Transpower's restoration planning, and cyber-resilience strategies presented by the National Cyber Security Centre.

Capability Development
To support continued capability and capacity building, team members have participated in a range of professional development opportunities, including Response & Recovery Aotearoa New Zealand (RRANZ) modules, the Leadership Development Programme, and Managing a Coordination Centre training. These programmes align with current national programmes and place a strong emphasis on leadership development.

Section 17A Review
Simplexity conducted their regional visit and stakeholder interviews in Northland from 24–29 August. During this period, they completed 65 interviews with a broad range of key stakeholders and partners. The capability assessment is currently underway, with an initial update expected at the next CEG meeting (October 2025). The final report is anticipated to be completed and delivered by mid-October.

Climate Action & Natural Hazards
Natural Hazards
Whangarei Urban Flood Strategy
Work progresses in line with the project plan with draft Investment Objectives identified. A Roles & Responsibility Report has been delivered that sets out the legislative and strategic context and roles and responsibilities of key stakeholders involved in managing compound flood risk (including coastal flooding) in urban Whangārei. A Technical Advisory Group (TAG) has been established.

Flood early Warning
An internal cross council project team for the implementation of a region wide flood early warning system has been established, and our hydrology team are assessing the trial system, before making final recommendations.

Future Flood Modelling
To support our ongoing flood modelling programme, we are working to finalise our flood modelling guideline and specifications. These specifications will be used on future tenders to ensure that we request and contract in a consistent manner. Staff have identified the 2025/26 modelling

programme and are investigating any supporting information, such as LIDAR and cross section surveys, that is needed to support those models.

Water Technology are working on the on the proof of concept for overtopping modelling on the Awanaui Flood scheme. This work will show what will happen if the flood protection works (such as stop banks and levees) are overtopped which would occur when the volume of water in the river exceeds the capacity of riverbed and any flood protection. Staff will then work through our other flood protection schemes.

Natural Hazards Portal: Staff are working to refresh the natural hazards section of NRC website to improve access to NRC's hazard information. This includes improving the layout and accessibility of NRC's geospatial data in the natural hazards portal enabling the public to find and understand the information more easily.

Waiarohia Stream Project
On Tuesday 19 August, students from Whangarei Girls' High School, Whangarei Boys' High School, Whangarei Intermediate and Whangarei Primary School came together for a collaborative hui focused on the Waiarohia stream project. Discussions included an exploration of climate change before narrowing in on its localised impacts, using the awa as a living case study. Topics ranged from extreme weather events, flooding, erosion, and sedimentation to water quality and the ecological health of the stream. Students also considered how more resilient communities and be designed and built, how to enhance biodiversity, and uplift the mauri of the awa. This project is supported by the Climate Resilient Communities Fund, and is designed to empower rangatahi from different schools, environmental partners and the wider community to take meaningful action in restoring local waterways.

The Nature Conservancy proposal
Staff are working with the Nature Conservancy (TNC) to look at a potential partnership to assess coastal wetland restoration as a nature-based solution for climate mitigation and adaptation in Rangaunu Harbour. Through co-designing a catchment-scale investment model, TNC and NRC can jointly explore how nature based solutions can reduce long-term infrastructure costs, enhance biodiversity, and deliver climate adaptation benefits in line with NRC's infrastructure, environmental and climate goals.

Electrify Te Tai Tokerau
Staff supported organisaton and delivery of the Electrify Te Tai Tokerau launch event in August at McKay Stadium, attended by 80 people. Mike Casey, CEO of Rewiring Aotearoa, spoke about the economic and regional benefits of transitioning to electric energy, noting that Aotearoa's 50,000 farms could provide 63–75% of the needed additional electricity with mid-scale solar systems—highlighting that 1 ha of solar on his farm generates $100,000 annually, double what 1 ha of his cherry orchard earns. Whangārei local, Glenn Sutherland of Nau Mai Rā also addressed the importance of an equitable energy transition and their work tackling energy hardship.

Electrify Te Tai Tokerau launch event on 13 August at McKay Stadium.

Keeping $440 million in Te Taitokerau Northland
As part of the Electrify Te Taitokerau group, staff are seeking to promote the benefits of electrification for households and businesses. For the 2023/24 financial year, approximately $746 million was spent on fuel at service stations across Te Taitokerau. Analysis of Northland's vehicle fleet suggests that around 59% of this fuel use could be replaced by electric vehicles, particularly for on-road passenger transport where electric alternatives currently exist. If this transition were made, up to $440 million could be retained in the region — either through reduced fuel costs for households or by generating electricity locally from renewable sources. Beyond the economic savings, this shift presents a significant opportunity to create local jobs and attract investment. To realise these benefits, staff are looking at opportunities for NRC to an advocacy role to accelerate the uptake of electric vehicles, including expanding charging infrastructure and increasing public awareness of the advantages of making the switch.

Rivers
Awanui Scheme Upgrade
Ongoing floodgate maintenance continues through winter with the rest of the works winterised. Earthworks will start when the weather permits.

Staff are awaiting announcements around Tranche 2 funding if the Lower Whangatane spillway work will be part funded by central government. Meanwhile staff have been progressing project planning including refining designs, preparing procurement documents and gaining the necessary consents.
Staff prepared and submitted an application for Tranche 3 of the Resilience funding round. This application is for improvements to Donald Road bridge, a known pinch point in the scheme.

Otiria-Moerewa Additional Flood Mitigation
Flood modelling indicated residual overland flow of approximately 3 cubic meters per second (cms), i.e., (before the Spillway this overland flow was calculated at 200 cms). This flow is affecting Kingi Road near the Otiria Marae area. The works include re-establishing existing overland flow paths which development has encroached on or blocked these paleo overland flow paths. Pre-works soil testing along the KiwiRail yard this year is being undertaken to identify contaminated soil a swale will be located. The extent of soil needed for disposal off site is now complete and disposal plan is being developed. The tender for the works is being prepared and expected to be lodged on GETS by end of September with the work completed before Christmas.

Whirinaki Flood Mitigation Study – 75% Complete
This project is a managed retreat initiative of approximately 80 homes, 3 marae, church, school and community centre **(potentially the 1st of its kind in Aotearoa).** Our current 10-year flood maps indicate the flood fills the valley side to side, and 100-year flood depths reach 2 meters outside some homes, therefore the flood risks necessitate relocation as the only long-term solution. The last large flood event was 1999 which matches closely with NRC 10-year flood maps. NRC has funded this work through National Infrastructure Funding and Financing work programme, this work includes completing the due diligence for managed retreat (Geotech, planning etc.) to give confidence for external funders to seed the retreat. Additionally, staff are supporting hapu to engage with stakeholders to identify funding for the project.

Kaeo Stage 2 – 65% Complete
Modelling and detailed design has been completed, and landowner engagement and land purchase agreements are close to completion. Procurement is underway for main contractor. Construction is scheduled for late October 2025. NRC has been extremely fortunate to secure a large quantity of rock from another unrelated project in Kerikeri, which will be relocated to one of the newly purchased parcels in Kaeo for later use in the project saving approximately $60,000.

Northland Flood-Affected Marae – Engagement 100% Complete (Works 65% Complete)
Flood doors are being installed at 12 Marae with an estimated cost of approximately $12,000 per marae is programmed for completion late 2025. Some carry-over winter earthworks on 4 Marae that were halted because of winter ground conditions are being programmed to start once conditions improve. The overall cost of this project was $630,000 with $600,000 being funding by CIP (Crown Infrastructure Partners now National Infrastructure Funding and Finance).

Northern Wairoa Flood Model
We are working with KDC to ground truth the draft hazard maps. This includes planned meetings or presentation with KDC staff, Awakino Valley Drainage District Working Party, Kaihu River Working Group, Dargaville Evacuation Planning Group and key individuals in the local community.

Mangamuka Marae
Benching, deflection bund, grade control and rock revetment are complete, and overall job is approximately 85% complete. Works were initially scheduled to be completed mid-July 2025; however, we chose to over-winter the site due to deteriorating weather and ground conditions. Programmed for completion mid-late October subject to ground conditions.

8.2.8 KAIPARA MOANA REMEDIATION

Key Performance Indicators
As at 30 August 2025, a little over 3½ years into delivery, KMR has delivered the following results on the ground:

Nature & Resilience
- Over 2.73 million plants in the ground or contracted to plant this winter.
- 1,512 hectares planted or contracted, or regenerating into native forest.
- 1,045 km of fencing completed or contracted – the same distance as from Cape Rēinga to Upper Hutt!
- Over 148,000 hectares managed under KMR plans.

Jobs & Skills
- Over $27 million invested in restoration projects.
- 51 local businesses and nurseries accredited to supply KMR.
- Over 398,000 hours of new work created – a year's work for over 256 people.
- 218 people trained and mentored, many from local iwi/hapū, to advise on project design and delivery.

Participation
- 1,349 landowners have expressed interest in KMR.
- 893 plans have been completed with landowners, with a further 116 plans in development.
- 110 group-led projects are led by hapū, marae, community groups, catchment groups and other collectives.

Winter Planting 2025
KMR has essentially completed its winter planting activity for this year. While some smaller planting projects will continue well into spring, all of the larger planting projects which include professional planting and project management support have now been completed.

This winter saw KMR's largest planting effort yet, with over 660,000 native plants and trees in the ground, and 63,000 non-wilding, non-pine exotic trees in the ground to support landowner revenue diversification through on-farm woodlots on steep, eroding hillsides.

On 13 September, KMR will be working with three of our smaller accredited nurseries (Te Toa Whenua, Ōtamatea Harbour Care and Waimarie) to promote community planting and raise awareness of KMR and what it offers. This will also support the nurseries by enhancing outreach in 'dry' areas in the catchment where planting activity has been significantly lighter than average.

Update on Kōrero Tuku Iho project

The *Kōrero Tuku Iho* project provides a pathway for Kaipara Uri, hapū, marae, whānau and local communities to explore their stories, memories, values and understanding of the natural world and places of significance within the Kaipara Moana catchment as inspiration for the reduction of sediment. Through this process, *Kōrero Tuku Iho* will support local communities to contribute to the regeneration and protection of the harbour.

The project centres on three case studies which will inform the development of a guiding framework to integrate local perspectives and culturally-grounded restoration approaches into sediment reduction efforts right across the catchment.

The first case study on the Poutō Peninsula has been making excellent progress, using the dune lakes and their role in food production and gathering as inspiration for local hapū and the wider community to take action to reduce sediment flows from the land into the nearby harbour.

A second case study has now been approved and is in the process of being contracted. The *Nāu te rourou, nāku te rourou, ka ora ai te iwi* project led by the Tinopai Resource Management Unit aims to use the revival of kūtai (mussel) sites in the Kaipara harbour as inspiration to reduce sediment through land-based restoration at the tip of the Hukatere peninsula. As shown in the Waitematā, regenerating mussel beds can also help improve water quality in the harbour. As some of the project is outside of KMR's core business and other funders are needed to support the wider project outcomes, we have connected the project team to third party interests with expertise in mussel restoration.

Attachments/Ngā tapirihanga

Nil

TITLE:	**Receipt of Committee Minutes**
From:	Meloney Tupou, Maori Governance and Engagement Support Admin
Authorised by Group Manager/s:	Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on 16 September 2025

Ngā mahi tūtohutia / Recommendation

That the unconfirmed minutes of the:

- Regional Transport Committee – 5 August 2025
- Audit and Risk Committee – 19 August 2025
- Investment Committee – 2 September 2025 and
- Civil Defence Emergency Management Group - 2 September 2025

be received.

Attachments/Ngā tapirihanga

Attachment 1: Regional Transport Committee minutes ⇩

Attachment 2: Audit and Risk Committee minutes ⇩

Attachment 3: Investment Committee minutes ⇩

Attachment 4: Civil Defence Emergency Management Group Meeting minutes ⇩

Regional Transport Committee
5 August 2025

Regional Transport Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 5 August 2025, commencing at 10:30 am - 12:30pm

Tuhinga/Present:

Chairperson - NRC Councillor, Joe Carr
Deputy Chairperson - NRC Councillor, John Blackwell
WDC Councillor, Simon Reid
Waka Kotahi alternate, Kathryn King
KiwiRail Programme Director Northland, Eric Hennephof

I Tae Mai/In Attendance:

Full Meeting
FNDC Alternate, Cr Ann Court
KDC Alternate, Cr Rachael Willams (online)
FNDC Chief Executive, Guy Holroyd (online)
NRC Group Manager - Community Resilience, Louisa Gritt
WDC GM – Infrastructure, Jim Sephton (online)
NRC Transport Manager, Chris Powell
FNDC Representative, Rob Gilmore
WDC Programme Manager - Road Safety Promotion, Nicole Korach
WDC Transportation Strategy and Planning Lead - Nick Marshall
Automobile Association, Tracey Rissetto

Part Meeting
FNDC Finance Manager, Charlie Billing (online)
NZ Police Inspector, John Fagan (arrived 11.09am)

The Chair declared the meeting open at 10.30am.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

Moved (Carr / Blackwell)

That the apologies from FNDC Cr Steve McNally, KDC Cr Ash Nayyar and Waka Kotahi Director Regional Relationships, Steve Mutton for non-attendance be received.

Carried

Secretarial notes: Apologies were noted for the following: Cr Robinson, Cr Macdonald, Cr Craw, Cr Halse, Kayla Gunson, Mat Tucker

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

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

Unconfirmed

Regional Transport Committee
5 August 2025

Confirmation of Minutes - 10 June 2025 (Item 4.1)

Report from Haylee Labelle, Personal Assistant Community Resilience

Moved (Reid / Blackwell)

That the minutes of the Regional Transport Committee meeting held on 10 June 2025, be confirmed as a true and correct record and that these be duly authenticated by the Chair.

Carried
Secretarial notes: A correction was made to the minutes to amend the rail line name Southdown line not the southbound line. The chair provided apologies that he had received an update report from FNDC but this was not circulated to the members.

Receipt of Action Sheet (Item 5.1)

Report from Haylee Labelle, Personal Assistant Community Resilience

Moved (Reid / Carr)

That the action sheet be received.

Carried

Regional Land Transport Plan 2021/2027 - National Funding Assistance Uptake Report (Item 6.1)

Report from Chris Powell, Transport Manager - Northland Regional Council

Moved (Blackwell / Reid)

That the report 'Regional Land Transport Plan 2021/2027 - National Funding Assistance Uptake Report' by Chris Powell, Transport Manager - Northland Regional Council and dated 15 July 2025, be received.

Carried
Secretarial notes: Charlie Billington discussed the implementation of a hybrid model for transport services, with interim resourcing provided by Stellar and Rob Gilmore to ensure continuity of services. He highlighted the reallocation of financial management and reporting tasks internally to cover immediate deliverables while the hybrid model is being implemented.
FNDC discussed the accuracy of the RAM data and the need for contractors to retrospectively update the database to ensure accurate asset management and compliance with contract agreements . Their audit of the RAM data revealed discrepancies between the north and south regions, leading to notices being issued to contractors to update the database.

Road Controlling Authority Reports (Item 7.1)

Report from Chris Powell, Transport Manager - Northland Regional Council

Moved (Carr / Williams)

That the report 'Road Controlling Authority Reports' by Chris Powell, Transport Manager - Northland Regional Council and dated 3 July 2025, be received.

Carried
Secretarial notes: *Cr Williams discussed the changes to the development contributions policy in Kaipara, which will allocate funds for upgrading local roads under pressure from growth she also*

unconfirmed

commented on the positive impact of having Downer as the lead contractor, highlighting their comprehensive maintenance plan and the benefits of their monthly briefings.
She also discussed the NZTA funding for walking and cycling projects, with a focus on the Mangawhai shared path and other cycleway projects in Kaipara.

NZTA Waka Kotahi Update for Te Tai Tokerau (Item 7.2)

Report from Steve Mutton, NZTA - Director Regional Relationships, Te Tai Tokerau me Tāmaki Makaurau

Moved (Reid / Court)

That the report 'NZTA Waka Kotahi Update for Te Tai Tokerau' by Steve Mutton, NZTA - Director Regional Relationships, Te Tai Tokerau me Tāmaki Makaurau and dated 2 July 2025, be received.

Carried

Secretarial notes: Northland Corridor work continues to move at pace. The Te Hana to Port Marsden Highway & Port Marsden to Whangarei Investment Case is going to the NZTA board this week for endorsement. Discussed two day full weekend closures of the Brynderwyns Hills for resurfacing work to be completed and the need to coordinate these dates with the RCAs to ensure they do not overlap with other work in the area. Discussed the detailed business case underway for the Mangakahia Bridge. Confirmed the planned average speed safety camera install work is underway on Kaitaia-Awaroa Road. Noted the first time inclusion of the funding position for Northland in the meeting pack, this provides a picture of full spend across the region ($155.7M), highlighted the large carryover of $25.1M for emergency works carried to this year. Noted that the graphs provided are for the full 3-year funding period. Noted that if Councils do not use their funding, they might lose it.

RTC shared observations that the network has been under stress this winter. The chair would appreciate information on the FAR rate from NZTA so that there are no surprises. The chair shared a desire for Northland to be on the list for a visit from the specialised vehicles unit that assess the roads (TSD/iPave). It was noted that Councils have the FAR discussion with NZTA individually but it does come back to the RTC (Kevin Wright, NZTA) said he would make contact with each RCA.

Actions:

1. **NZTA to provide either a written update or a verbal update to the RTC regarding the investigation and status of Mangakahia Bridge**
2. **NZTA to advise if Councils are able to apply for more funding if they have used all of their allocated funds**

KiwiRail Update (Item 7.3)

Report from Eric Hennephof, KiwiRail - Programme Director Northland

Moved (Hennephof /Carr)

That the report 'KiwiRail Update' by Eric Hennephof, KiwiRail - Programme Director Northland and dated 2 July 2025, be received.

Carried

Secretarial notes: Mentioned the submission of the detailed business case to the Minister of Rail, highlighting the efforts of Eric's team in preparing the reference design and cost estimates. KiwiRail has submitted approval for designation change and bridge design to WDC. A press release was circulated to members following the meeting and is linked here [northland-boosted-with-jet-fuel-tank-dry-dock-rail-link]

Unconfirmed

Actions:

1. **KiwiRail to provide the RTC with an updated long plot of the reference design and a set of drawings outlining Geotech and civil works for the rail project**

Regional Road Safety Report (Item 7.4)

Report from Nicole Cauty, Road Safety Project Manager and Chris Powell, Transport Manager - Northland Regional Council

Moved (Reid / Blackwell)

That the report 'Regional Road Safety Report' by, Nicole Cauty, Road Safety Project Manager and Nick Marshall, Transportation Strategy & Planning Lead, dated 21 July 2025, be received.

Carried

Secretarial notes: Road Safety Project Manager drew attention to the upcoming road safety campaigns outlined in the report and emphasised the decrease in fatalities from 21 at this time last year to 8 now. Inspector John Fagan (NZ Police) introduced himself and provided an update on police enforcement activities, highlighting the increase in breath tests with over 170,000 undertaken in the past year alongside 22,000 speed tickets issued to improve road safety. John mentioned that police staffing levels are very good, with full staffing expected in the Far North soon, ensuring a strong presence on the roads. The RTC reiterated they are impressed with the progress achieved in road safety.

Committee Members Priorities and Updates (Item 7.5)

Report from Chris Powell, Transport Manager - Northland Regional Council and Kayla Gunson, Regional Transport Coordinator

Moved (Reid / Blackwell)

1. That the report 'Committee Members Priorities and Updates' by Chris Powell, Transport Manager - Northland Regional Council and Kayla Gunson, Regional Transport Coordinator and dated 21 July 2025, be received.

Carried

Secretarial notes: Members reflected on the achievements of the over the past term, highlighting the improvements in road maintenance and the collaborative efforts of the members. Discussed future plans, including the need for continued focus on basic road maintenance and the importance of securing funding for resilience projects.

The chair gave thanks to members of the committee, to staff at NRC for support to the committee, to NZTA for their response to the RLTP bid. Acknowledged the work Steve Mutton has done for Northland and Jack Hansby for the visits organised which had significant educational value.

Actions:

1. **To ensure that an RTC meeting takes place before Christmas**
2. **Secretary to cancel the September RTC meeting and workshop but keep a diary placeholder for members in case an emergency meeting is needed**

Whakamutunga (Conclusion)

The meeting concluded at 12:00pm.

unconfirmed

Audit and Risk Committee
19 August 2025

Audit and Risk Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 19 August 2025, commencing at 9:30 am

Tuhinga/Present:

Committee Chair and Independent Tagata Whenua Member, George Riley
Councillor Peter-Lucas Jones - *online*
Councillor John Blackwell
Councillor Jack Craw - *online*
Councillor Joe Carr - *online*
Ex-Officio Geoff Crawford (Ex-Officio)
Independent Tangata Whenua Member Dee-Ann Wolferstan - *online*

I Tae Mai/In Attendance:

Full Meeting
Tāhūhū Rangapū – Chief Executive, Jonathan Gibbard
Pou Taumatua - GM Corporate Services, Bruce Howse
Pou Whakaritenga – GM Regulatory Services, Colin Dall
Corporate Strategy Manager, Kyla Carlier
Information Services and Technology Manager, Carol Cottam
Audit and Assurance Lead, Mandy Tepania

Part Meeting
Pou Tiaki Hapori - GM Community Resilience, Louisa Gritt
Legal Counsel, Kathryn Candy

The Chair declared the meeting open at 9.29am and commenced the proceedings with a karakia.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

There were no apologies.

Secretarial Note: Steve Watene was expected to dial into the meeting.

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

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

UNCONFIRMED

Audit and Risk Committee
19 August 2025

Confirmation of Minutes - 20 May 2025 (Item 4.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Jones/Craw)

That the minutes of the Audit and Risk Committee meeting held on 20 May 2025 be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Blackwell/Jones)

That the action sheet be received.

Carried

Deloitte presentation on fraud detection/data analytics programme (Item 6.1)

Report from Simon Crabb, Finance Manager

Secretarial Note: Deloitte's Amy Dove and Dominic Salmon joined the meeting at 9.35am and presented to the committee on the progress of council's fraud detection and data analytics programme.

Internal Audit Schedule (Item 6.2)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Crawford/Blackwell)

That the report 'Internal Audit Schedule' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial Note:

- *The GM Corporate Services provided further clarification on the contract management audit. It was noted that SharePoint is primarily intended for document storage and is not suitable as a system for managing NRC contracts. As a result, alternative solutions are being explored. GM Corporate Services to follow up with Deloitte to determine whether they can recommend a system that would simplify contract auditing for NRC.*

UNCONFIRMED

Audit and Risk Committee
19 August 2025

Risk Management Policy Update (Item 6.3)

Report from Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead

Moved (Wolferstan/Jones)

1. That the report 'Risk Management Policy Update' by Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead and dated 6 August 2025, be received.
2. That the committee recommends to council the approval of the updated Risk Management Policy, as included as attachment 1 and 2 – Draft Risk Management Policy

Carried

Secretarial Note:

- *The policy was endorsed based on an action to add in Objectives bullet point 8 - "meet or exceed New Zealand and international best practice standards" and include a link to the NZ Auditor General contract management website.*

Action:

1. Corporate Strategy Manager to include as part of the 'Relevant Key Documents' link to the NZ Auditor General contract management website before going to council for adoption.

Risk Management Activity Update August 2025 (Item 6.4)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Craw/Crawford)

That the report 'Risk Management Activity Update August 2025' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial note:

- *GM Corporate Services to follow up with the Health and Safety team regarding procedures for managing aggressive individuals and mitigating psychological harm. This includes reviewing whether current controls – such as training and having two officers present during interactions with flagged individuals – are sufficient. The aim is to assess whether our processes would withstand scrutiny from agencies like ACC to legal review.*
- *A number of additional risks were raised i.e. Madagascar Ragwort and conversion of farmland into carbon sinks which had an economic impact on Northland. Management are working collective with a consortium of interested parties to look at a solution for controlling Madagascar Ragwort. GM Corporate Services to review with GM Biosecurity the scoring associated with the Biosecurity Incursion risk.*

UNCONFIRMED

- *The Riskpool item was included to ensure the Audit and Risk Committee was aware of the continuing liability. GM Corporate Services will email the committee NRC's cumulative payouts against Riskpool.*

Actions:

1. GM Corporate Services to follow up with the Health and Safety team regarding procedures for managing aggressive individuals and mitigating psychological harm to assess whether our processes would withstand scrutiny from agencies like ACC to legal review.
2. GM Corporate Services to review with GM Biosecurity the scoring associated with the Biosecurity Incursion risk.
3. GM Corporate Services will email the committee NRC's cumulative payouts against Riskpool.

Fraud, Corruption and Dishonesty Activity Update (Item 6.5)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Crawford/Wolferstan)

That the report 'Fraud, Corruption and Dishonesty Activity Update' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial Note:

- *Following on from the Deloitte presentation GM Corporate Services to review residual score for supplier invoice fraud to ensure NRC have enough mitigation measures in place.*

Quarterly report for Health and Safety activity with end of financial year summary data 2024-25 (Item 6.6)

Report from Tamsin Sutherland, Health and Safety Advisor and Shane Cleary, People and Culture Manager

Moved (Carr/Crawford)

That the report 'Quarterly report for Health and Safety activity with end of financial year summary data 2024-25' by Tamsin Sutherland, Health and Safety Advisor and Shane Cleary, People and Culture Manager and dated 24 July 2025, be received.

Carried

Secretarial note:

- *Health and Safety Specialist to reinstate the per head count rather than empirical number to the Lead and Lag tables which the Committee find more useful.*
- *The Committee expressed interest in identifying trends within incident reporting and analytics, and using that information to review current practices.*

UNCONFIRMED

Action:

1. Health and Safety Specialist to reinstate the per head count rather than empirical number to the Lead and Lag tables which the Committee find more useful.

Regulatory Services Quarterly Report (Item 6.7)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Blackwell/Crawford)

That the report 'Regulatory Services Quarterly Report' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 6 August 2025, be received.

Carried

Municipal Wastewater Treatment Plant Discharge Compliance (Item 6.8)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Blackwell/Carr)

1. That the report 'Municipal Wastewater Treatment Plant Discharge Compliance' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 6 August 2025, be received.

Carried
Moved (Crawford/Carr)

2. That the committee endorses Option 3 of this report, with regular reporting to this committee.

Secretarial Note: the Chair in putting the motion called for an expression of opinion by show of hands.

(Councillors Jones, Blackwell, Carr, Crawford, and independent members Riley and Wolferstan voted in favour. Councillor Craw voted against)

Carried

Secretarial note:

- *Councillor Craw suggested council investigate the viability for NRC to build and provide waste water plants on a cost recovery basis.*

Kaupapa ā Roto/Business with Public Excluded (Item 7.0)

Moved (Crawford/Craw)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.

Carried

UNCONFIRMED

Audit and Risk Committee
19 August 2025

Moved (Jones/Crawford)

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
7.1	Confirmation of Confidential Minutes - 20 May 2025	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) and 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).
7.2	Cyber Resilience	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).
7.3	Litigation Schedule Quarterly Report April-June 2025	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).
7.4	Report on contracts awarded July 2024 - June 2025	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).

Carried

Moved (Craw/Jones)

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

Carried

Whakamutunga (Conclusion)

The meeting concluded at 12.06pm.

UNCONFIRMED

Investment Committee
2 September 2025

Investment Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 2 September 2025, commencing at 1:30 pm

Tuhinga/Present:

Committee Chair and Independent Investment Advisor, Daniel Mussett
Councillor John Blackwell
Councillor Jack Craw
Councillor Rick Stolwerk
Councillor Geoff Crawford (Ex-Officio)
Independent Tangata Whenua Member George Riley

I Tae Mai/In Attendance:

Full Meeting
Tāhūhū Rangapū – Chief Executive, Jonathan Gibbard
Pou Taumatua - GM Corporate Services, Bruce Howse
Strategic Projects and Facilities Manager, Phil Heatley
Personal Assistant to GM Corporate Services, Margaret Knight

Part Meeting
Investment Property & Projects Officer, Sarah Hirst
Economist, Darryl Jones
EriksensGlobal, Jonathan Eriksen *(online)*
Argyle Estates, Gerome Powell
Argyle Estates, Peter Cosnett
FORME, Kevin Reardon *(online)*

The Chair declared the meeting open at 1.32pm with George Riley commencing the proceedings with a karakia.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

There were no apologies.

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

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

Confirmation of Minutes - 3 June 2025 (Item 4.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Crawford/Craw)

UNCONFIRMED

That the minutes of the Investment Committee meeting held on 3 June 2025 be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Stolwerk/Riley)

That the action sheet be received.

Carried

Kaupapa ā Roto/Business with Public Excluded (Item 6.0)

Moved (Stolwerk/Blackwell)

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

Item No.	Item Issue	Reasons/Grounds
6.1	Confirmation of Confidential Minutes - 3 June 2025	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).
6.2	Performance of Councils Externally Managed Investment Funds to 31 July 2025	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to prevent the disclosure or use of official information for improper gain or improper advantage s7(2)(j).
6.3	Update on Council's Property Projects and Other Commercial Matters	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).

UNCONFIRMED

Investment Committee
2 September 2025

6.4	Request for Property Reinvestment Funding for Redevelopment Project Due Diligence	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).
6.5	Tāika Forest and Forest Management Plan Reporting Actual Performance Against Targets 2024/2025	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).

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

Carried

Whakamutunga (Conclusion)

The meeting concluded at 3.29pm with George Riley ending the proceedings with a karakia.

UNCONFIRMED

Civil Defence Emergency Management Group Meeting Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 2 September 2025, commencing at 11:30 am - 1:00pm

Tuhinga/Present:

Chairperson, FNDC Deputy Mayor Kelly Stratford
Deputy Chairperson - WDC Mayor, Vincent Cocurullo
KDC Councillor, Gordon Lambeth
NRC Councillor, Rick Stolwerk
WDC alternate, Nicholas Connop
NEMA Representative Mike Gillooly
FENZ Representative Wipari Henwood
NZ Police alternate, Dean Robinson

I Tae Mai/In Attendance:

Full Meeting
NRC CDEM Emergency Manager, Damian Rio
NEMA Representative, Shona Morgan
NRC GM Community Resilience, Louisa Gritt
NRC Emergency Management Partnership Manager, Brendon Gray
FNDC GM Community & Engagement, Ruben Garcia
NRC Welfare Specialist, Kylie Cox
Emergency Management Specialist, Bill Hutchinson
Emergency Management Specialist, Kori Puckey
Emergency Management Specialist, James Harvey
Emergency Management Specialist, Tony Devanney
Emergency Management Response Specialist, Jenny Calder
NRC EA to the Chair, Rae Hetaraka – (online)
Emergency Management Iwi Engagement, Papanui Polamalu (online)
Emergency Management Specialist, Laura Exton (online)
Emergency Management Communications Specialist, Zach Woods – (online)

The Chair declared the meeting open at 11.30am with karakia.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

The chair informed that the meeting would be recorded for the purpose of minute taking support

Ngā whakapahā/Apologies (Item 2.0)

Moved (Stratford / Cocurullo)

un-confirmed

Civil Defence Emergency Management Group Meeting
2 September 2025

That the apologies from NRC Councillor Shortland, FNDC alternate Moko Tepania and NZ Police Representative Matthew Shroj for non-attendance be received.

Carried

Secretarial notes: Apologies were noted for the following attendees: Jason Marris, Simon Weston, Cr Robinson, Cr MacDonald, Guy Holroyd, Michael Day

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

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

Receipt of Supplementary Report (Item 4.0A)

Report from Haylee Labelle, Personal Assistant Community Resilience

Moved (Cocurullo / Stratford)

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

Carried

Secretarial notes: Entered as item 7.4 on the agenda

Confirmation of Minutes - 3 June 2025 (Item 4.1)

Report from Haylee Labelle, Personal Assistant Community Resilience

Moved (Cocurullo / Lambeth)

That the minutes of the Civil Defence Emergency Management Group meeting held on 3 June 2025, and the be confirmed as a true and correct record and that these be duly authenticated by the Chair.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Haylee Labelle, Personal Assistant Community Resilience

Moved (Stolwerk/ Cocurullo)

That the action sheet be received.

Carried

Secretarial notes: Discussed the development and implementation of a Community Resilience Induction Package to ensure all incoming and existing elected members receive civil defence and emergency management training, with staff tasked to create and share the package across councils.

Confirmed that all councils are required to include civil defence and emergency management training in the induction process for newly elected members, as outlined in the action sheet, with staff responsible for preparing the necessary materials.

The induction package aims to ensure elected members understand their roles and responsibilities in civil defence, especially given recent emergencies and the unique situation of having experienced members like the chair

un-confirmed

Staff are actively developing the induction package under the community resilience space with NRC, which will be shared with new elected members and included in council induction processes, covering not just civil defence but also adaptation and other relevant topics.

National Emergency Management Agency Update (Item 6.1)

Report from Shona Morgan, NEMA Representative - Senior Regional Emergency Management Advisor

Moved (Stratford/ Cocurullo)

That the report 'National Emergency Management Agency Update' by Shona Morgan, NEMA Representative - Senior Regional Emergency Management Advisor and dated 20 August 2025 be received.

Carried

Secretarial notes: Shona introduced herself. She will be attending CDEM in place of Mike Gillooly who has now taken a different position within NEMA.

Explained that new requirements for group plans include specific provisions for people effected disproportionately during emergencies, coordination of community assistance, and management of animals during emergencies. The CDEM group plan is up for review next year – it will be prudent to start planning soon.

A targeted consultation is underway regarding Section 33 of the National Plan, focusing on how financial support to local authorities is managed, and groups are encouraged to submit feedback to ensure local authorities understand available government support. CDEM group is invited to provide feedback during the process.

The current legislative proposal is for CEs to be appointed as controllers, with the ability to delegate, and council members were advised to provide feedback during the Select Committee process, with the timeline for submissions expected towards the end of the year. Feedback can be provided as individual councils but the CDEM group will do its own.

CEG Chair Report (Item 7.1)

Report from Damian Rio, CDEM Emergency Manager

Moved (Stratford/ Stolwerk)

That the report 'CEG Chair Report' by Damian Rio, CDEM Emergency Manager and dated 28 August 2025 be received.

Carried

Secretarial notes: Clarified that NRC has a core team of 13 staff, dedicated to civil defence, with additional council staff trained in incident management to support during events. KDC has one assigned civil defence staff member, but 50 council employees are trained and can be mobilised for emergency response, while still being paid by their respective councils. The number of trained staff fluctuates as personnel join or leave, and the council can provide updated figures on trained staff upon request.

Discussed the effectiveness of various communication channels for emergency messaging, emphasising a multi-channel approach that includes radio, social media, council websites, and phone trees, with radio remaining the most trusted source according to recent surveys. Outlined the main

un-confirmed

channels used: RNZ and local broadcasters, Facebook as the primary social media platform, and council websites for updates, with ongoing exploration of additional social media options. Mike highlighted that radio remains the most trusted source of information during emergencies, as confirmed by NEMA surveys and local feedback, though the council continues to use all available channels to ensure message consistency and accuracy. Noted the importance of tailoring communication to different demographics, ensuring accurate information is disseminated, and addressing misinformation, especially for rural and isolated communities.

Discussed the coverage and effectiveness of the Emergency Mobile Alert System, noting improvements in message delivery, ongoing network upgrades, and the impact of 3G network closure. Observed that nearly all phones now receive emergency alerts, with only a few exceptions, and Zach confirmed that network coverage is continually improving, though not yet at 100%. Zach participates in the EMA users group, which meets quarterly to discuss system updates, and noted that the closure of 3G is expected to improve coverage, with ongoing efforts to address connectivity gaps. Zach is in contact with the rural connectivity group to address issues related to network upgrades and vandalism, ensuring isolated communities remain connected during emergencies.

Discussed the status of the Tsunami Sirens project, clarifying the difference between constructed and completed sites, operational requirements, and ongoing efforts to secure funding for sites lacking mains power connectivity. Explained that a site is considered completed once it is constructed, connected to satellite, cell phone, and mains power, with some sites currently operational via solar power only. Sites lacking mains power are outside the existing budget, and the CES forum is exploring funding options to complete these installations, with 90 sites constructed and operational via satellite or cellular connectivity.

Discussed the near-completion of documentation for the Multi-Agency Coordination Centre, with the CEs forum monitoring progress and plans to provide a programme update once finalised. Early discussions are underway regarding future collaboration and co-location of agencies within the centre, aiming to enhance joint operations and resource sharing.

KDC asked to note that item 15: Wairoa River Model gives the impression that h whole river was cross sectioned, they believe only a very mall percentage was completed – wanted this noted for the record that it is misleading.

Actions:

1. **Confirm how long NRC has collected rates for the Multi-Agency Coordination Centre and the current amount held. (CDEM)**
2. **Share data on the percentage of people receiving Emergency Mobile Alerts following recent tests. –** Information provided in the chat by Zach at the meeting**:** The latest information on the EMA systems reach from NEMA In May 2025: John Price, Director, National Emergency Management Agency says NEMA's test of the system(28/05/2025) say the alert successfully transmitted to all parts of New Zealand with cell phone reception. "Our 2022 survey showed nine out of ten people received an alert or had been with someone who had. Given this year's transmission was successful, we can safely estimate between 5 and 6 million phones received the alert."

Membership and appointments – Northland CDEM Group (Item 7.2)

Report from Damian Rio, CDEM Emergency Manager and Kylie Cox, Welfare Coordination Group Representative

(Cocurullo/ Stratford)

Un-confirmed

1. That the report 'Membership and appointments – Northland CDEM Group' by Damian Rio, CDEM Emergency Manager and Kylie Cox, Welfare Coordination Group Representative and dated, 30 July 2025 be received.
2. That the CDEM Group notes the new iwi representative is Thomas Hohaia replacing JJ Ripikoi and Hone Dalton, effective 29 May 2025.
3. That the CDEM Group approves the removal of Shona Morgan, Joanne Tasker and Sian Leith and Paula Urlich from their appointed CDEM roles for Whangarei District Council.
4. That the CDEM Group notes the transition of John Burt, Local Controller appointment from Kaipara District Council to Whangārei District Council (replacing Shona Morgan) effective 1st September 2025; and
5. That the CDEM Group notes that John Burt will continue as a Group Controller on behalf of Whangārei District Council effective 1st September 2025.
6. That the CDEM Group approves the appointment of Tracey Deane, Kaipara District Council and Esther Powell, Far North District Council as Local Recovery Managers in accordance with CDEM Act 2002 s. 30 (1).

Carried

Declarations During Elections (Item 7.3)

Report from Damian Rio, CDEM Emergency Manager

(Stratford/ Cocurullo)

That the report 'Declarations During Elections' by Damian Rio, CDEM Emergency Manager and dated 20 August 2025, be received.

Carried

Secretarial notes: Presented on the authority to declare emergencies during the election period, clarifying the legislative process, the role of outgoing members, and the Minister for Emergency Management's authority during the transition, with council members seeking practical guidance. It is important for members to be aware of the gap and the process.

During a state of emergency, the chair of the CDEM group is the first to declare, followed by the deputy chair or another CDEM group member, and if unavailable, the mayor or a nominated council member of the affected district, with authority shifting to the Minister for Emergency Management during the post-election gap.

Outgoing council members retain authority to declare emergencies until official election results are announced, after which only the Minister can declare until new members are sworn in, as per the Local Government Act and emergency management legislation.

The Chief Executive Officer is responsible for convening the first council meeting to swear in new members, potentially creating a 10-15 day gap where only the Minister can act, with the group controller and CE coordinating with emergency services during this period

Group Controller Appointment (Item 7.4)

Report from Damian Rio, CDEM Emergency Manager

(Stolwerk/ Cocurullo)

Un-confirmed

1. That the report 'Group Controller Appointment' by Damian Rio, CDEM Emergency Manager and dated 27 August 2025, be received.
2. That the Civil Defence Emergency Management Group committee approve the appointment of Damian Rio as a Group Controller.
3. That the Civil Defence Emergency Management Group committee notes that Damian Rio continues with his Controller Development plan, due to be completed by mid-November 2025.

Carried

Community Response Planning and Marae Preparedness Planning (Item 8.1)

Report from Damian Rio, CDEM Emergency Manager; Papanui Polamalu, Emergency Management - Iwi/hapū Engagement Advisor; Laura Exton, Emergency Management Specialist – Kaipara and Kori Puckey, Emergency Management Specialist

(Stolwerk/ Cocurullo)

That the report 'Community Response Planning and Marae Preparedness Planning' by Damian Rio, CDEM Emergency Manager; Papanui Polamalu, Emergency Management - Iwi/hapū Engagement Advisor; Laura Exton, Emergency Management Specialist – Kaipara and Kori Puckey, Emergency Management Specialist and dated 30 July 2025, be received.

Carried

Secretarial notes: The CDEM Group has prioritised expanding community response planning and Marae fitness, resulting in improved resilience and more efficient resource allocation during emergencies. Staff efforts have been instrumental in increasing the number of prepared communities, with the benefits evident during recent emergency responses, particularly in remote areas.

Discussed the outcomes of the 35 Marae project, highlighting key messages around water, food, and safety, practical resilience measures in isolated communities, and ongoing efforts to secure funding and resources for vulnerable groups. Papanui reported that coastal Marae focus on high tide and tsunami risks, inland Marae on flooding and water supply, and forested areas on fire risk, with consistent emphasis on supporting vulnerable groups such as elders and disabled individuals. Isolated communities have increased their resilience by installing water tanks, acquiring generators, and establishing multiple response hubs for different hazards, with plans to implement solar arrays for alternative energy. Many communities struggle to afford emergency supplies and infrastructure, prompting efforts to concentrate resources at Marae and seek funding streams to support food and equipment for households. Desalination plants are being considered for isolated communities to ensure water supply during emergencies, though cost remains a barrier to widespread implementation.

The chair then opened the floor to Police and FENZ to share any updates we should be aware of.

- *Police: Despite vacancies, support from across the country ensures that frontline service delivery remains unaffected, with resources focused on operational needs.*
- *FENZ: Paid staff are undertaking low-level industrial action, which has not affected frontline operations, with ongoing negotiations aimed at resolution. Early discussions with CDEM Emergency Manager are exploring future collaboration and co-location within the Multi-Agency Coordination Centre to enhance joint emergency management efforts. Expecting a La Nina weather pattern this summer.*

Unconfirmed

Civil Defence Emergency Management Group Meeting
2 September 2025

Whakamutunga (Conclusion)

The meeting concluded at 12.27pm with karakia by the chair

un-confirmed

TITLE: Working Party Updates Report

From: Meloney Tupou, Maori Governance and Engagement Support Admin

Authorised by Group Manager/s: Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on date 16 September 2025

Ngā mahi tūtohutia / Recommendation

That the report 'Working Party Updates Report' be received.

Kerikeri-Waipapa Rivers Working Group (Cr Carr)

The Kerikeri-Waipapa Rivers Working Party met on 28 August 2025. The topics for discussion included:

- Kerikeri Flood Model Update
- 1823 Flood event
- Scenario options to run using new model
- Submission process to FNDC Proposed District Plan

Following discussion, the Kerikeri-Waipapa Rivers Working Party provided advice on the following next steps:

- It was agreed that the first scenario run will include future FNDC zoning (FNDC has indicated that they will provide funding of $5000 for this model run) and exclude K3A dam. Impervious surfaces under proposed zoning to be taken into account.
- It was agreed that the second scenario run will include K3A Dam – future zoning and existing (this will be two separate runs)
- NRC Rivers manager to contact the provider of the two flood models to understand the delivery timeframe in conjunction with the submission process

Kaeo River – Whangaroa Catchment Working Group (Cr Carr)

The Kaeo River – Whangaroa Catchment Working Group met on 4 September 2025. The topics for discussion included:

- Stage 2 Update
- Ecological Impact Assessment
- Community Session / Environmental Plans

Following discussion, the Kaeo River – Whangaroa Catchment Working Group provided advice on the following next steps:

- NRC Rivers Project Manager to provide NRC Secretariat the received resource consent documents and associated conditions to be emailed with the minutes to all interested parties.
- NRC Rivers Project Manager to share details of the archaeological monitoring protocol, including the accidental discovery protocol and involvement of hapū and Heritage New Zealand, with interested parties.

- NRC Rivers Manager to provide supporting information and documentation to interested parties detailing the consultation process, engagement with hapū, and transparency measures undertaken throughout the project.

Taumarere Flood Management Working Group (Cr Carr)

The Taumarere Flood Management Working Group met on 6 September 2025. The topics for discussion included:

- Upper Kawakawa Catchment Feasibility Update
- Taumarere Catchment Business Case
- Budget

Following discussion, the Taumarere Flood Management Working Group provided advice on the following next steps:

- NRC to research log deflection devices and circulate
- NRC to investigate overland flow path behind Kawakawa Bowling Club
- Investigate if the stormwater culvert next to the Hundertwasser would benefit from having a flood gate.
- Investigate if some protection upstream of the Bridges could help reduce slash and trees from catching and blocking on the bridges.

TITLE: Business with the Public Excluded

Whakarāpopototanga / 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.

Ngā mahi tūtohutia / 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 Council Minutes - 26 August 2025	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	Northport Group Limited - Capital Contribution and Transaction Costs Wash Ups	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).
10.4	Request for Property Reinvestment Funding for Redevelopment Project Due Diligence	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).
10.5	Transaction to Freehold a CBD Property for Redevelopment	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).

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

Considerations

1. Significance and Engagement

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

2. 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.

3. Other Considerations

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