

# **Joint Regional Economic Development Committee**

**Friday 26 September 2025 at 10:00 am**

# **AGENDA**

# Joint Regional Economic Development Committee Agenda

Meeting to be held in the Mahinga Innovation Centre, 5449A State Highway 12, Kaikohe 0472  
on Friday 26 September 2025, commencing at 10:00 am

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

## MEMBERSHIP OF THE JOINT REGIONAL ECONOMIC DEVELOPMENT COMMITTEE

Chair (FNDC Councillor) John Vujcich

Deputy Chairperson (FNDC),  
Penetaui Kleskovic

KDC Mayor, Craig Jepson

KDC Deputy Mayor Jonathan  
Larsen

NRC Deputy Chair Tui  
Shortland

NRC Chair Geoff Crawford

WDC Deputy Mayor Phil Halse

WDC Mayor Vince Cocurullo

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- 7.1** Confirmation of Confidential Minutes - 25 July 2025
- 7.2** Regional Infrastructure Fund (RIF): Update on projects



## **Opening Karakia | Karakia Timatanga**

Tukua te wairua kia rere ki ngā taumata

Hei ārahi i ā tātou mahi

Me tā tātou whai i ngā tikanga a rātou mā

Kia mau kia ita

Kia kore ai e ngaro

Kia pūpuri

Kia whakamaui

Kia tina! TINA! Haumi e, hui e, TĀIKI E!

## **Closing Karakia | Karakia Whakamutunga**

Unuhia, unuhia

Unuhia ki te uru tapu nui

Kia wātea, kia māmā, te ngākau, te tinana, te wairua  
i te ara tangata

Koia rā e Rongo, whakairia ake ki runga

Kia tina! TINA! Hui e! Tāiki e!



**TITLE:** Confirmation of Minutes - 25 July 2025

**From:** Meloney Tupou, Maori Governance and Engagement Support Admin

**Authorised by** Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on  
**Group Manager/s:** 22 September 2025

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### Ngā mahi tūtohutia / Recommendation

That the minutes of the Joint Regional economic Development Committee meeting held on 25 July 2025, be confirmed.

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### Attachments/Ngā tapirihanga

Attachment 1: Joint Regional Economic Development Committee Minutes [↓](#) 

Joint Regional Economic Development Committee  
25 July 2025

## Joint Regional Economic Development Committee Minutes

Meeting held in the Whangarei District Council Chamber  
Te Iwitahi, Rust Avenue, Whangārei  
on Friday 25 July 2025, commencing at 10.00am

### Tuhinga/Present:

Chair (FNDC Councillor) John Vujcich  
Deputy Chair, (FNDC Councillor) Penetaui Kleskovic (*Via audio-visual link*)  
KDC Mayor, Craig Jepson  
NRC Chair Geoff Crawford  
WDC Mayor Vince Cocurullo

### I Tae Mai/In Attendance:

#### Full Meeting

NRC Economist  
NRC Economic Policy Advisor  
NRC Administration  
KDC Economic Development Lead (*Via audio-visual link*)  
Northland Inc Chair (*Via audio-visual link*)  
Technology Specialist Research and Innovation (*Via audio-visual link*)  
FNDC GM Planning and Policy (*Via audio-visual link*)  
FNDC Chief Executive Officer (*Via audio-visual link*)

#### Part Meeting

NRC Councillor Peter Lucas Jones (*Via audio-visual link*)  
WDC Councillor Scott McKenzie  
Northland Inc Head of Kaupapa Māori Enterprise and Innovation  
Northland Inc Head of Finance and Corporate Services (*Via audio-visual link*)  
Head of Destination and Communications (*Via audio-visual link*)  
NZ Infrastructure Commission (*Via audio-visual link*)  
NRC Kaitohutohu Matua / Principal Advisor (*Via audio-visual link*)  
Education and Arts (KEA) Hub and Precinct Plan x 2 presenters  
Kānoa Regional Principal Advisor (*Via audio-visual link*)  
WDC x2 presenters  
FNDC Manager - Strategy and Policy  
WDC GM Planning and Development

The Chair declared the meeting open at 10.00am.

**Karakia** NRC Economist Darryl Jones.

### Ngā Mahi Whakapai/Housekeeping (Item 1.0)

### Ngā whakapahā/Apologies (Item 2.0)

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**Moved (Vujcich/Peters)**

That the apologies from WDC Deputy Mayor Halse and KDC Deputy Mayor Larsen for non-attendance be received.

**Carried**

**Confirmation of Minutes - 29 April 2025 (Item 4.1)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Vujcich)**

That the minutes of the Joint Regional Economic Development Committee meeting held on 29 April 2025 be confirmed as a true and correct record.

**Carried**

**Receipt of Action Sheet (Item 5.1)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Peters)**

That the action sheet be received.

**Carried**

**Northland Inc Limited: Statement of Intent 2025/26 - Final Document (Item 6.1)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Crawford/Jones)**

1. That the report 'Northland Inc Limited: Statement of Intent 2025/26 - Final Document' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.
2. That the Joint Regional Economic Development Committee agree to Northland Inc Limited's Statement of Intent 2025/26 as set out in **Attachment 1** pertaining to item 6.1 of the 25 July 2025 Joint Committee agenda.

**Carried**

**Northland Inc Limited: Reporting against SOI 2024/25, Third Quarter 2024/25 and Quarterly Highlights Report (Item 6.2)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Peters/Crawford)**

That the report 'Northland Inc Limited: Reporting against SOI 2024/25, Third Quarter 2024/25 and Quarterly Highlights Report' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

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### **Investment and Growth Reserve: Update on funding (Item 6.3)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Peters)**

That the report 'Investment and Growth Reserve: Update on funding' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **Investment and Growth Reserve: Enabling Investment Funding Decision on Tuputupu Grow Northland (Item 6.4)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Peters/Crawford)**

1. That the report 'Investment and Growth Reserve: Enabling Investment Funding Decision on Tuputupu Grow Northland' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.
2. That \$250,000 (plus GST) be allocated as Enabling Investment funding from the Investment and Growth Reserve to Northland Inc Limited to support the continuation of service delivery of the Tuputupu Grow Northland work programme in 2025/26.
3. That the Joint Committee recognises that this funding decision is inconsistent with the Investment and Growth Reserve (IGR) criteria but is considered as a one-off allocation to support the continued implementation of the Tuputupu Growth Northland programme.
4. That the Joint Regional Economic Development Committee request that Northland Inc take all necessary steps to ensure future funding requests are fully compliant with the criteria and procedures of the Investment and Growth Reserve.

**Carried**

### **Investment and Growth Reserve: Enabling Investment Funding Decision on Inward Delegations (Item 6.5)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Crawford)**

1. That the report 'Investment and Growth Reserve: Enabling Investment Funding Decision on Inward Delegations' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.
2. That \$90,000 (plus GST) be allocated as Enabling Investment funding from the Investment and Growth Reserve to Northland Inc Limited to support the service delivery of the Inwards Delegations work programme.
3. That the Joint Committee recognises that this funding decision is inconsistent with the Investment and Growth Reserve (IGR) criteria but is considered as a one-off allocation to support the trial of a new Northland Inc work programme.

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4. The Joint Regional Economic Development Committee requests that Northland Inc take all necessary steps to ensure future funding requests are fully compliant with the criteria and procedures of the Investment and Growth Reserve.

**Carried**

### **Igniting Northland's Potential: Light-Touch Regional Deal Proposal - Update (Item 6.6)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Vujcich)**

That the report 'Igniting Northland's Potential: Light-Touch Regional Deal Proposal - Update' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **New Zealand Infrastructure Commission: Update on the Draft National Infrastructure Plan (Item 6.7)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Crawford/Peters)**

That the report 'New Zealand Infrastructure Commission: Update on the Draft National Infrastructure Plan' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **Northland Infrastructure Plan: Update on progress (Item 6.8)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Vujcich/Crawford)**

That the report 'Northland Infrastructure Plan: Update on progress' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **Northland Corporate Group: Update (Item 6.9)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Peters)**

That the report 'Northland Corporate Group: Update' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

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### **Knowledge, Education and Arts (KEA) Hub and Precinct Plan: Update provided by WDC (Item 6.10)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Peters)**

That the report 'Knowledge, Education and Arts (KEA) Hub and Precinct Plan: Update provided by WDC' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **Establishment of Whangarei District Council CCTO - Whangarei District Holdings Limited (Item 6.11)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Cocurullo/Peters)**

That the report 'Establishment of Whangarei District Council CCTO - Whangarei District Holdings Limited' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 10 July 2025, be received.

**Carried**

### **Proposed JREDC 2025-2028 Induction Programme: Governance Continuity and Induction (Item 6.12)**

**Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist**

**Moved (Crawford/Peters)**

That the report 'Proposed JREDC 2025-2028 Induction Programme: Governance Continuity and Induction' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 4 July 2025, be received.

**Carried**

### **Kaupapa ā Roto/Business with Public Excluded (Item 7.0)**

**Moved (Vujcich/Kleskovic)**

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
7.1	Confirmation of Confidential Minutes - 29 April 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 -.

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7.2	Regional Infrastructure Fund (RIF): Update on projects	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied s7(2)(c)(i).
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### **Whakamutunga (Conclusion)**

The meeting concluded at 12.30pm.

UNCONFIRMED



**TITLE:**                   **Receipt of Action Sheet**

**From:**                   Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

**Authorised by**           Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:**   September 2025

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### **Whakarāpopototanga / Executive summary**

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


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### **Nga mahi tutohutia / Recommendation**

That the action sheet be received.

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### **Attachments/Ngā tapirihanga**

Attachment 1: Action Sheet 26 September [↓](#) 

**Joint Regional Economic Development Committee - Action Sheet**

Meeting date	Item	Action	Responsibility	Status	Notes
25-Jul-25	6.1 Northland Inc Limited: Statement of Intent - Final Document	Shareholder agreed SOI placed on councils' websites	Staff	Complete	Far North and Kaipara districts yet to place SOI on website
25-Jul-25	6.4 IGR: Enabling Investment Funding Decision on Tuputupu Grow Northland	Funding agreement in place with Northland Inc	Staff	Complete	As required by IGR criteria
25-Jul-25	6.5 IGR: Enabling Investment Funding Decision on Inward Delegations	Funding agreement in place with Northland Inc	Staff	Complete	As required by IGR criteria
25-Jul-25	6.7 NZ Infrastructure Commission: Update on Draft National Infrastructure Plan	Distribute presentation	Staff	Complete	See email from Darryl Jones dated 28 July
25-Jul-25	6.12 Proposed JREC 2025-2028 Programme: Governance Continuity and Induction	Include Northland Inc on the induction programme for all four councils so all elected members have a similar briefing	Staff	Complete	Northland Inc on agenda for first Northland Forward Together Strategic Planning Workshop on Tuesday 16 December
7-Mar-25	5.4 Northland Infrastructure Plan - Update on progress	More regular updates need to be provided, not just at JREDC meetings (i.e., monthly update email)	Northland Inc	Complete	Workshops held on 22 August and 26 September
6-Dec-24	6.2 RIF update from Kānoa	Continuous update to be provided. Specific update requested re Hikurangi drainage schemes	Staff	Complete	See agenda item 6.2

**TITLE: Northland Inc Limited: WDC decision on shareholding and IGR funding contribution for 2026/27**

**From:** Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

**Authorised by** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:** September 2025

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**Executive summary/Whakarāpopototanga**

At its meeting on 29 April 2025, the Joint Regional Economic Development Committee (Joint Committee) agreed to send a letter to WDC requesting them to decide prior to the forthcoming local body elections on their ongoing shareholding of Northland Inc and funding into the IGR. This letter was sent on 5 May 2025 (**Attachment 1**). In response to that letter, WDC considered the matter at their meeting on 24 July 2025. At that meeting it was agreed to remain a shareholder for a further year, i.e. until 30 June 2027, and to provide a funding commitment to the IGR fund for another (third) year being 2026/27. However, rather than provide funding at the level recommended by staff and as expected by the Northland Inc Shareholders' Agreement, i.e. \$709K, WDC decided to commit to funding for 2026/27 a lower amount of \$587K, which is the same level of funding as they have committed to providing in the current financial year 2025/26, being the expected amount in the Shareholders' Agreement (**Attachment 2**). The WDC Mayor had followed up their council decision with a letter to the Joint Committee (**Attachment 3**). This letter indicates that WDC are open to the possibility of reviewing this position regarding 2026/27 funding when a more detailed benefit study is completed.

The purpose of this agenda item is to seek a Joint Committee response to the WDC decision. While the decision to remain a shareholder for a further year is welcome, the level of funding approved for 2026/27 is \$122,000 (17%) lower than expected from WDC under the terms of the Shareholders' Agreement signed by all four local councils on 4 September 2024.

While the Shareholders' Agreement sets out a formal process than can be followed should a shareholder provide a less than expected amount of funding, staff recommend that the other shareholder councils continue to engage with WDC on an informal basis, that the Joint Committee initiate a benefit study, and that a letter be sent to WDC acknowledging their decision and requesting that in their LTP they make a full and unqualified commitment to being a shareholder of Northland Inc and making a funding commitment to the IGR in line with the Shareholders' Agreement.

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**Recommendation(s)**

1. That the report 'Northland Inc Limited: WDC decision on shareholding and IGR funding contribution for 2026/27' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 15 September 2025, be received.
2. That staff be directed to prepare a benefit report on the Investment and Growth Reserve (IGR), including Northland Inc operational funding, before the end of November 2025.
3. That a letter be sent to Whangarei District Council acknowledging their decision and expressing a desire to continue good faith discussion on the level of funding for 2026/27 following council elections.
4. That the letter to Whangarei District Council also include a request that, as part of their Long Term Plan 2027-2037, they make an unqualified commitment to being a

shareholder of Northland Inc and providing a funding contribution into the Investment and Growth Reserve (IGR) that conforms with the Northland Inc Shareholders' Agreement and is equitable in funding to that provided by the Far North and Kaipara district councils.

## Options

No.	Option	Advantages	Disadvantages
1	Initiate the formal process under clause 17.3 of the Shareholders' Agreement to get WDC to reconsider their decision.	Sets clear expectations as to what is expected of a shareholder.	Risk that WDC may decide to pull out of Northland Inc shareholding, provide no funding to the IGR, and not be member of Joint Committee.  Will likely incur legal expenses and require more staff time.
2	Initiate process to reduce the funding commitments from all shareholder councils for 2026/27.	Maintains an equitable (per person) level of funding between district councils.	Lower level of funding in the IGR available for allocation to Enabling Investment projects.
3	Initiate good faith discussions with WDC outside clause 17.3 and use the outcome of a more detailed benefit study to resolve the matter.	Keeps WDC as joint owner of Northland Inc, member of the Joint Committee and funder of IGR for a further year.	Requires additional time, effort and resources to undertake the benefit study.  Appearance of WDC getting away with funding smaller commitment to IGR in 2026/27.

The staff's recommended option is Option 3. Maintaining WDC participation is more important than the loss of \$122K in financial contributions to the IGR in 2026/27. WDC have indicated that they are open to reviewing their position on 2026/27 funding level on completion of a more detailed benefit study. It is recommended that the Joint Committee initiate such a benefit study by requesting staff provide an assessment of the impact ("return on investment") that Northland Inc specifically and the IGR generally makes as part of the induction process / material to be provided to the next triennium Joint Committee. Such a benefit study would be helpful to all shareholders in understanding the value and impact of the IGR and Northland Inc. This may be useful for councils when it comes to the development of their respective 2027-2037 LTPs, discussions with central government on the role and functions of local government, and negotiations with other possible shareholders.

Whatever option is chosen, the Joint Committee should make it clear in its response to WDC that the other shareholders would like to see as part of the WDC's 2027-2037 LTP decision a full and unqualified commitment to being a joint shareholder of Northland Inc and providing funding to the IGR in line with the Shareholder's Agreement. WDC's 2024-2034 LTP decision to

make an initial two-year commitment with a review requirement has created uncertainty and additional work for all parties. Such an unconditional commitment does not limit their ability to decide to cease to be a shareholder of Northland Inc under the terms of the Northland Inc Shareholders' Agreement.

## Considerations

### 1. Climate Impact

There are no known climate changes implications that need to be considered in making this decision.

### 2. Environmental Impact

There are no known environmental risks or impacts associated with making this decision.

### 3. Community views

There are no community views that need to be considered in making this decision.

### 4. Māori impact statement

This decision relates to a council administrative matter and therefore does not have a direct impact on Māori.

### 5. Financial implications

Table 1 provides an indication of the closing IGR balance for 2026/27 under various local government funding scenarios. Prior to the WDC decision on 24 July 2025, the closing balance of the IGR on 30 June would have been \$677K (pink column 1). This is based on the current funding commitments from the other three councils and expenditure commitments as determined by Northland Inc's Statement of Intent 2025/26 and the Enabling Investment funding allocations made at the Joint Committee meeting on 25 July 2025.

**Table 1. Cash flow balances of the Investment and Growth Reserve, 2024/25 to 2026/27  
based on current funding commitments, \$000**

	2024/25	2025/26	Forecast options for 2026/27			
			1. Without any WDC contribution	2. With WDC contribution as allocated at their meeting on 24 July	3. With WDC contribution as expected under Shareholders' Agreement	4. With all four council's contributing as per 2025/26 funding level
	Actual	Budget				
<b>Investment and Growth Reserve</b>						
Opening Balance	\$159	\$471	\$613	\$613	\$613	\$613
<b>Deposits</b>						
Northland Regional Council	\$1,984	\$2,033	\$2,084	\$2,084	\$2,084	\$2,033
Far North District Council	\$335	\$413	\$500	\$500	\$500	\$413
Kaipara District Council	\$121	\$149	\$180	\$180	\$180	\$149
Whangarei District Council	\$475	\$587	\$0	\$587	\$709	\$587
Total local government contribution	\$2,915	\$3,182	\$2,764	\$3,351	\$3,473	\$3,182
Other revenue <sup>1</sup>	\$17	\$0	\$0	\$0	\$0	\$0
<b>Total deposits</b>	<b>\$2,931</b>	<b>\$3,182</b>	<b>\$2,764</b>	<b>\$3,351</b>	<b>\$3,473</b>	<b>\$3,182</b>
<b>Withdrawals</b>						
Northland Inc operational expenditure funding	\$2,245	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Project Development <sup>2</sup>	\$300	\$300	\$300	\$300	\$300	\$300
Enabling Investment <sup>3</sup>	\$75	\$340	\$0	\$0	\$0	\$0
<b>Total withdrawals</b>	<b>\$2,620</b>	<b>\$3,040</b>	<b>\$2,700</b>	<b>\$2,700</b>	<b>\$2,700</b>	<b>\$2,700</b>
<b>Closing Balance</b>	<b>\$471</b>	<b>\$613</b>	<b>\$677</b>	<b>\$1,264</b>	<b>\$1,386</b>	<b>\$1,095</b>

#### Notes:

1. Other revenue includes interest earned on the IGR. Final 2024/25 "Other revenue" value to be confirmed as part of NRC annual reporting.

2. The IGR criteria provides for up to \$300k per annum to be provided for Project Development category. If funding is not used for Project Development, then it remains in the IGR and is available for allocation in future years, i.e. \$39k unspent in 2023/24 became available for 2024/25. The \$300k budget was all spent in 2024/25.
3. Enabling Investment allocations for 2025/26 are \$250,000 for Tuputupu Grow Northland and \$90,000 for International Inward Delegations.

The funding decision taken by WDC on 24 July 2025 increases the forecast closing balance for 2026/27 from \$677K (pink column 1) to \$1,264K (pink column 2), an 87% increase. However, this is \$122K lower than the closing balance of \$1,386K that would have been achieved should WDC have agreed to provide funding as per the Shareholder's Agreement (pink column 3). If the other three councils reduce their 2026/27 funding to their 2025/26 funding level, to match WDC's decision, the IGR balance would be \$1,095K (pink column 4). This is \$291K lower than that anticipated under the Shareholders' Agreement but is \$418K (62%) higher than the scenario without a WDC contribution.

Without WDC funding contribution in 2026/27, the sum of council contributions is \$2,764K, just \$24K more than the combined value of the budgeted Northland Inc operational expenditure in 2026/27 and the budgeted funding for projects development, together totalling \$2,700K (pink column 1). The commitment of WDC to provide funding for 2026/27, whether as decided at their meeting on 24 July (pink column 2) or at the expected contribution level (pink column 3), provides an opportunity to increase services provided by Northland Inc, i.e. funding of Northland Inc operations are not at risk by the decision of WDC to commit to a lower level of funding than expected in 2026/27. The opportunity cost for the shareholders is a reduced amount of funding available for allocation for project investment through the Enabling Investment category of the IGR.

## **6. Implementation issues**

Undertaking a benefit study will require time and effort from staff of both shareholder councils and Northland Inc. However, the output will be of benefit for multiple processes.

## **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 Northland Regional Council's significance and engagement policy. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that the Joint Committee is able make decisions relating to this matter without undertaking further consultation or engagement.

## **8. Policy, risk management and legislative compliance**

This decision is consistent with the Northland Inc Shareholders' Agreement and with the terms of reference of the Joint Committee. The major risks associated are with this decision are noted in the options table, with the staff recommend option carrying the least risk.

Clause 17.3 of the Shareholders' Agreement sets out the formal process to be followed if a shareholder fails to provide its expected funding contribution to the IGR.

### 17.3 Not meeting expected contribution

If a Shareholder(s) does not agree to, or fails to, contribute to Northland Regional Council's Investment and Growth Reserve its proportion of the Total Amount expected under clause 17.2 in any Financial Year ("**Non Contributing Shareholder**"), the parties agree as follows:

- (a) Any Shareholder may request by notice in writing to the other Shareholders that the Shareholders meet to discuss in good faith whether an alternative model of contributions can be agreed for the relevant Financial Year(s).
- (b) If the Shareholders are unable to reach agreement under clause 17.5(a) within two months of the relevant request to meet first being made, any Shareholder may refer the matter to mediation as if it was a Dispute under clause 19.2.
- (c) If the Shareholders are unable to reach agreement under clause 17.5(a) or through mediation under clause 17.5(b) within three months, a majority of the Shareholders who have agreed to contribute to Northland Regional Council's Investment and Growth Reserve their proportion of the Total Amount expected under clause 17.2 may at any time within the next three months give written notice to all Shareholders and the Company under this clause and which shall take effect as if the Non Contributing Shareholder was an Exiting Shareholder who had given an Exit Notice under clause 11 and the remaining provisions of clause 11 shall apply accordingly.

The formal process does not happen automatically but requires a request to be made by any of the shareholders. Second, it provides the possibility for the shareholder not meeting its obligations to be given an exit notice. However, nothing within the Shareholders' Agreement precludes informal engagement to resolve the matter, i.e. the shareholders may engage in good faith discussions without initiating the formal process. This is the direction proposed by the WDC Mayor (refer to paragraph five of Attachment 3).

Furthermore, there is no time restrictions associated with when a Shareholder must commence the formal 17.3 process. This can be initiated at any time. However, once initiated, clause 17.3 does set out a timeframe for discussion and resolution. The current timing of local council elections should be taken into consideration as it will impact on councils' ability to engage in any formal process.


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### Background/Tuhinga


Not applicable.

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### Attachments/Ngā tapirihanga

Attachment 1: WDC decision on Northland Inc shareholding and IGR funding contribution made on 24 July 2025 [!\[\]\(d0262bbe9d2356661a2e89321dfcc781\_img.jpg\)](#) 

Attachment 2: Letter to WDC requesting an early decision on continuation of Northland Inc shareholding and IGR funding contribution sent 5 May 2025 [!\[\]\(51514032c8ca341817228f39f1307b05\_img.jpg\)](#) 

Attachment 3: Letter from WDC regarding shareholding decision and IGR funding contribution sent 15 August 2025 [!\[\]\(c444627dab9fee9a1550c053ffaaaae2\_img.jpg\)](#) 



3

and adopted as a true and correct record of proceedings of that meeting.

**Carried**

## 6. Decision Reports / Whakatau Rīpoata

### 6.1 Northland Inc Shareholding Decision

**Moved By** His Worship the Mayor

**Seconded By** Cr Ken Couper

1. Receives the letter dated 5 May 2025 from the Joint Regional /Economic Development Committee regarding Whangarei District Council's shareholding in Northland Inc (Attachment 1).
2. Receives the review of the benefits of Council's involvement in Northland Inc
3. Agrees to continue as a shareholder in Northland Inc for a further one-year period from 1 July 2026 to 30 June 2027 and approves funding of \$587,000 in the 2026-27 financial year to the Investment and Growth Reserve (IGR).

**Carried**

*Cr's Marie Olsen and Paul Yovich requested their votes against the motion be recorded.*

### 6.2 Ōakura Sports Park and Wetland Development Update and Decision on Budget Adjustments

**Moved By** Cr Scott McKenzie

**Seconded By** Cr Gavin Benney

That the Council:

1. Notes that following the Validation Stage, the Ōakura Sports Park and Wetland Development project is on track and does not require additional budget; and
2. Approves additional capital spend of \$164,000 in 2025-26 financial year which will be offset by external income from the Lottery Grants Board towards a playground; and
3. Approves the adjustment of Ōakura Sports Park and Wetland Development capital budget in the 2025-26 and 2026-27 financial years to align with the redirection of \$662,715 unclaimed Better Off Funding towards a wetland; and
4. Approves bringing forward budgets of \$613,206 Year 3 and \$836,380 in Year 4 of the LTP to Years 2 and Year 3, with



5 May 2025

Mayor Vince Cocurullo  
Whangarei District Council  
Private Bag 9023  
Te Mai  
Whangārei 0143

Sent by email: [mayor@wdc.govt.nz](mailto:mayor@wdc.govt.nz)

Dear Mayor Cocurullo

**Request to expedite the Whangarei District Council review of involvement in Northland Inc**

The purpose of this letter is to enact a decision made at the Joint Regional Economic Development Committee (Joint Committee) meeting on Tuesday 29 April 2024.

During the discussion on Northland Inc's draft Statement of Intent 2025/26 (agenda item 5.2), the issue of Whangarei District Council's (WDC) continued involvement in Northland Inc beyond Year 2 (2025/26) arose. It became apparent to the Joint Committee that this uncertainty is now affecting Northland Inc's long term planning processes and operational budgeting.

We understand that the WDC review process is currently scheduled to occur after the October 2025 local body elections and before the end of December, with the outcome of the review to be incorporated into the 2026/27 annual plan process. Given the amount of time it takes to induct a new council on the governance model and processes, this presents significant risk.

As a result, the Joint Committee made the following unanimous decisions, noting that the WDC elected member represented at the meeting, Deputy Mayor Phil Halse, abstained.

1. Agrees that WDC is a valued contributor and member of the Joint Committee, and it is the Committee's preference for WDC involvement to continue.
2. Delegates the Chairperson to write to WDC requesting them to make a decision prior to the elections on their ongoing shareholding of Northland Inc and funding.

I look forward to hearing how WDC is able to respond to this request to expedite the review process ahead of the October local body elections.

Yours sincerely

0800 002 004

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

[info@nrc.govt.nz](mailto:info@nrc.govt.nz)

Private Bag 9021, Te Mai, Whangarei 0143



**FNDC Cr John Vujcich**  
**Chair of the Joint Regional Economic Development Committee**

CC. WDC CEO Simon Weston



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Private Bag 9021, Te Mai, Whangarei 0143



15<sup>th</sup> August 2025

Chair - Joint Regional Economic Development  
[john.vujcich@fndc.govt.nz](mailto:john.vujcich@fndc.govt.nz)

Dear John Vujcich,

Rust Avenue, Whangārei  
Private Bag 9023, Te Mai,  
Whangārei 0143, New Zealand  
P +64 9 430 4200  
E [mailroom@wdc.govt.nz](mailto:mailroom@wdc.govt.nz)  
[www.wdc.govt.nz/ContactUs](http://www.wdc.govt.nz/ContactUs)

### **Confirmation of Shareholding and Request to Discuss Funding Contribution**

As per the request for early confirmation, on the 24 July 2025, the Whangārei District Council passed a resolution confirming its intention to continue as a shareholder in Northland Inc. This decision was made recognising the importance of providing certainty for Northland Inc's long-term planning and operational budgeting.

Council approved a continued funding contribution of \$587,000 to the Investment and Growth Reserve for the 2026/27 financial year. We acknowledge that this amount is less than the amount provisionally indicated in the Shareholder Agreement, while also noting that there is no legal obligation under the Agreement on contributions to the Investment and Growth Reserve.

This funding decision reflects the financial pressures currently facing our district and the Northland region, including the need to balance community expectations with prudent fiscal management. Council remains firmly committed to its role as a shareholder and to supporting Northland Inc's strategic objectives and would encourage exploring a way forward that reflects current financial realities while remaining focussed on regional collaboration.

We also recognise the positive outcomes that have been achieved through collaboration to date, and we remain committed to building on these foundations. Our decision to confirm our shareholding early is a reflection of that commitment and our desire to provide clarity and stability for Northland Inc as it continues to deliver on its regional mandate.

In recognition of this we are seeking to initiate good faith discussions, rather than engaging the potentially protracted and expensive notification and mediation process envisioned under clause 17.3. of the Shareholders Agreement. We are interested in reviewing our position when a more detailed benefit study is completed, before the end of the year.

We welcome the opportunity to meet with fellow shareholders at the earliest possible opportunity to discuss Whangārei's continued participation in Northland Inc.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Vince Cocurullo", with a long horizontal stroke extending to the right.

Vince Cocurullo  
**Mayor of Whangārei**

**TITLE: Northland Inc Limited: Statement of Intent 2026/27 - Letter of expectations**

**From:** Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

**Authorised by** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:** September 2025

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**Executive summary/Whakarāpopototanga**

The purpose of this report is to seek the agreement of Joint Regional Economic Development Committee's (Joint Committee) on the content of the letter of expectations to Northland Inc Limited's (Northland Inc) Statement of Intent (SOI) 2026/27. Given that a new Joint Committee will need to be established following the local body elections, staff suggest that such a letter of expectations be agreed at this meeting, the last Joint Committee meeting of this triennium. The new Joint Committee will then be provided the draft SOI 2026/27 at their meeting in March 2026 following the induction programme. It is recommended the Joint Committee delegates authority to the Chair to prepare the letter of expectations for Northland Inc's SOI 2026/27, incorporating feedback provided in response to this report.

The main issue for consideration is the expectation to be given to Northland Inc on the level of operational funding to be included in the SOI. The SOI is the mechanism through which councils (shareholders) determine the level of baseline operational funding provided to Northland Inc from the Investment and Growth Reserve (IGR).

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**Recommendation(s)**

1. That the report 'Northland Inc Limited: Statement of Intent 2026/27 - Letter of expectations' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 15 September 2025, be received.
2. That a letter of expectations on the Statement of Intent 2026/27 be provided to Northland Inc Limited.
3. That the Chair be delegated authority to prepare and send a letter of expectations to Northland Inc Limited on its Statement of Intent 2026/27 in line with comments received on this report.

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**Options**

No.	Option	Advantages	Disadvantages
1	Provide a letter of expectations to Northland Inc to guide the development of their 2026/27 SOI	Clearly convey the expectations of shareholders to its council-controlled organisation	None
2	Don't provide a letter of expectations	None	Miss an opportunity for the shareholders to provide its input and

No.	Option	Advantages	Disadvantages
			direction to its council-controlled organisation

The staff's recommended option is Option 1: providing a letter of expectations to Northland Inc. While not a legislative requirement, using such a letter helps ensure that the expectations of shareholders are clearly articulated and understood. This approach aligns with the guidance provided by the Auditor General on governance and accountability for council-controlled organisations. Additionally, it is recommended that the Chair be delegated authority to prepare the letter of expectations to Northland Inc's SOI 2026/27, incorporating feedback received on this report.

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## Considerations

### 1. Climate Impact

There are no known negative impacts to the climate associated with this decision.

### 2. Environmental Impact

There are no known environmental risks or impacts associated this decision.

### 3. Community views

There are no known community views on this matter that need to be considered in making this decision.

### 4. Māori impact statement

Although there are issues associated with the importance of Māori economic development in Northland Inc's core work and therefore SOI, there are no known particular issues for Māori on preparing the letter of expectations that need to be considered. Māori have not been engaged.

### 5. Financial implications

The main issue for consideration is the expectation to be given to Northland Inc on the level of operational funding to be included in the SOI 2026/27. The SOI is the mechanism through which councils (shareholders) determine the level of baseline operational funding provided to Northland Inc from the Investment and Growth Reserve (IGR). While the SOI is set each year, the Local Government Act 2002 requires a CCO to provide forecast financial information for three years. When the Joint Committee agree to the SOI, it sets in place the level of operational funding provided to Northland Inc for the first of the three years, e.g. 2025/26 in the latest SOI.

The following table summarises the Business As Usual (BAU) income set out in the Northland Inc's SOI 2025/26 agreed to by the Joint Committee at its meeting on 25 July 2025. The allocation of \$2.4 million in operational funding to Northland Inc for 2025/26 represents a 7% increase in funding compared to 2024/25.

It should be noted that the Northland Inc SOI 2026/27 budget was prepared ahead of the decision by Whangarei District Council (WDC) at their meeting on 24 July 2025 to provide a funding commitment of \$587,000 to the IGR for 2026/27. This is seen by the inclusion in the 2026/27 and 2027/28 BAU Income budget of \$105K being directly received from WDC. This separate funding will not happen in 2026/27 due to the WDC decision to provide funding into the IGR.

**Table 1. Northland Inc BAU Income as set out in SOI 2025/26, \$000**

	Actual 2023/24	Budget 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28
<b>CCO Opex</b>	\$1,972	\$2,245	\$2,400	\$2,400	\$2,460
<b>WDC</b>				\$105	\$105
<b>Other</b>	\$850	\$678	\$694	\$694	\$435
<b>Total BAU Income</b>	\$2,822	\$2,923	\$3,094	\$3,199	\$3,000

A major factor to consider is whether to incorporate funding for Tuputupu Grow Northland and Inward Delegations into Northland Inc's operational funding for 2026/27. Separate allocations were made from the Enabling Investment category of the IGR to fund these activities for 2025/26 at the meeting of the Joint Committee on 25 July 2025. The advantages of including them within Northland Inc's operational funding allocation is that it: (a) makes it clear that these are part of Northland Inc's operations and (b) means the Joint Committee does not need to make a decision that is inconsistent with the IGR criteria to fund them in 2026/27 as it had to do this year.

Adding the combined value of these two activities (\$340K) to the current 2025/26 operation funding budget of \$2,400K above would result in a total CCO Opex budget of \$2,740 (Table 2). Staff suggest that this figure be multiplied by an inflation adjustment of 2.5% to give a 2026/27 operational budget figure of \$2,809K. This represents 84% of the total local government contribution to the IGR for 2026/27. Furthermore, considering the \$300K budget for Project Development category results in \$243K being available for Enabling Investment allocation.

**Table 2. Basis for recommendation of Northland Inc opex funding, \$000**

		Budget 2025/26	Forecast		
			2026/27	2027/28	2028/29
Local government contribution to IGR		\$3,182	\$3,351	\$2,833	\$2,904
SOI 2025/26	CCO Opex	\$2,400	\$2,460	\$2,460	
Enabling Investment	Tuputupu Grow Northland	\$250			
Enabling Investment	Inward Delegations	\$90			
<b>Total</b>		<b>\$2,740</b>			
Draft SOI 2026/27					
CCO Opex			\$2,809	\$2,460	\$2,522
CCO Opex as % local government contribution to IGR		75%	84%	87%	87%
Project Development		\$300	\$300	\$300	\$300
Total withdrawal		\$3,040	\$3,109	\$2,760	\$2,822
Remainder available for Enabling Investment		\$142	\$243	\$73	\$82

However, because the WDC funding commitment to the IGR only goes to 2026/27, the level of Northland Inc operational funding for 2027/28 and 2028/29 to be included in the SOI 2026/27 will need to be reduced from this proposed 2026/27 figure. Staff suggest that the forecast CCO operational funding of \$2,460K for 2027/28 in the current SOI 2025/26 would be an appropriate level, with it adjusted up by 2.5% for 2028/29 to account for inflation.



This level of funding represents 87% of the annual local government contribution into the IGR. This is as high a proportion as it has ever been (Figure 1).

**Figure 1. Council contributions to and Northland Inc operational funding from the IGR 2015/16 to 2028/29**

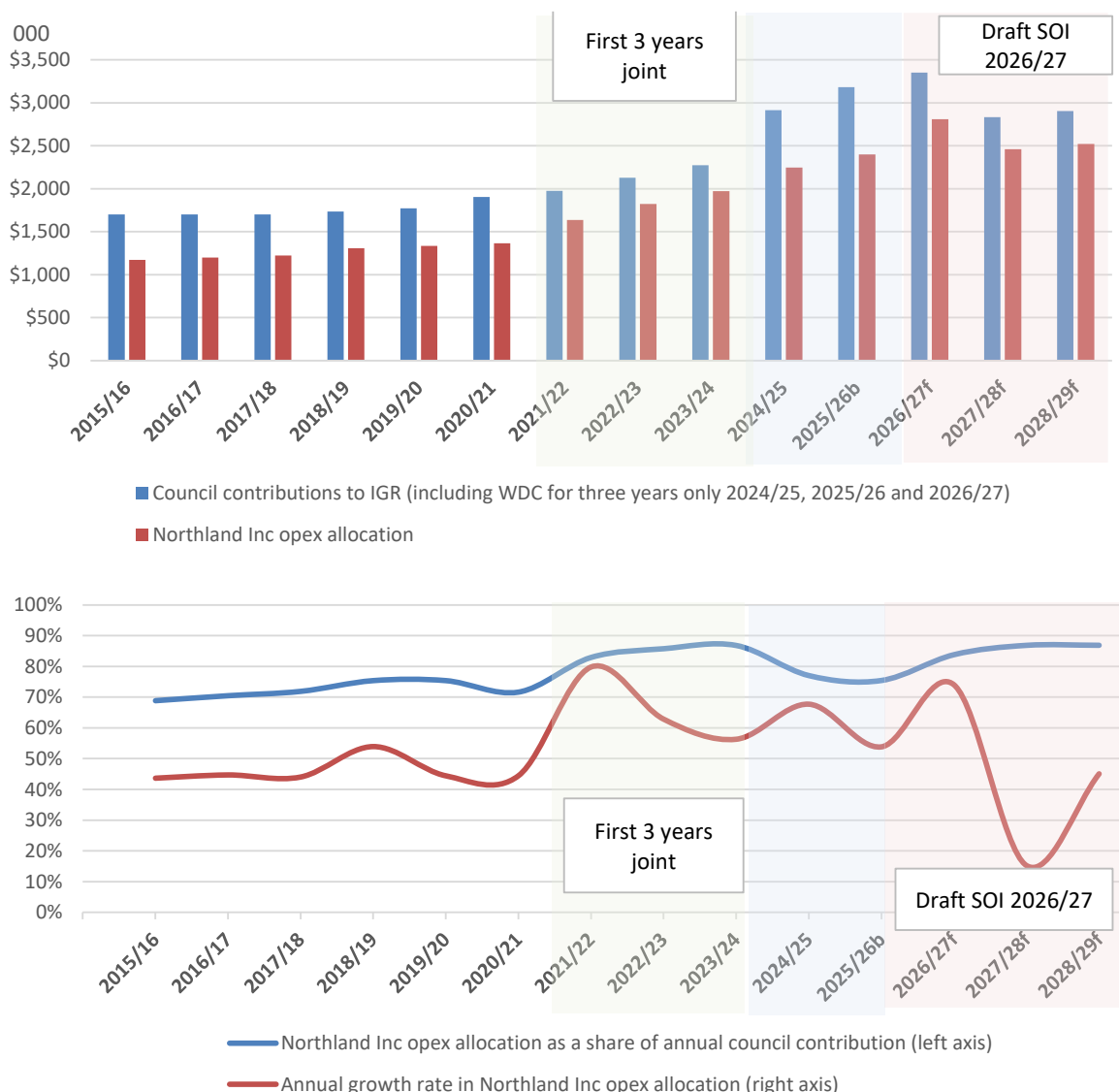


Table 3 sets out the current cashflow balance of the IGR based on current council commitments, Northland Inc's SOI 2025/26 and the suggested level of operational funding for 2026/27, 2027/28 and 2028/29 set out in Table 2. In terms of deposits, the recent decision by WDC to provide a funding commitment of \$587K for 2026/27 is included but no further funding from WDC is budgeted.

The suggested level of operational funding to Northland Inc provides around \$1 million that can be allocated to Enabling Investment projects by the incoming Joint Committee. Staff suggest that the letter of expectations also make it clear that the intent of the Enabling Investment category of the IGR is to support third party economic development projects in accordance with the IGR criteria and not Northland Inc operations. An exception was made for 2026/27 at the request of the Joint Committee, but this is not how the Joint Committee wishes to proceed going forward.

**Table 3. Cashflow balances of the Investment and Growth Reserve, 2024/25 to 2026/27  
based on current funding commitments, \$000**

	LTP 2021-2031			LTP 2024-2034		LTP 2027-2037		
	Actual			Actual	Budget	Northland Inc SOI 2026/27		
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27f	2027/28f	2027/28f
<b>Investment and Growth Reserve</b>								
<b>Opening Balance</b>	\$533	\$80	\$188	\$159	\$471	\$613	\$855	\$929
<b>Deposits</b>								
Northland Regional Council	\$1,864	\$1,897	\$1,937	\$1,984	\$2,033	\$2,084	\$2,136	\$2,190
Far North District Council	\$82	\$169	\$246	\$335	\$413	\$500	\$513	\$525
Kaipara District Council	\$29	\$61	\$89	\$121	\$149	\$180	\$185	\$189
Whangarei District Council				\$475	\$587	\$587		
Total local government	\$1,975	\$2,127	\$2,272	\$2,915	\$3,182	\$3,351	\$2,833	\$2,904
Other revenue <sup>1</sup>	-\$3	\$9	\$7	\$17	\$0	\$0	\$0	\$1
<b>Total deposits</b>	\$1,972	\$2,136	\$2,279	\$2,931	\$3,182	\$3,351	\$2,833	\$2,905
<b>Withdrawals</b>								
Northland Inc CCO Opex	\$1,637	\$1,824	\$1,972	\$2,245	\$2,400	\$2,809	\$2,460	\$2,522
Project Development <sup>2</sup>	\$175	\$144	\$261	\$300	\$300	\$300	\$300	\$300
Enabling Investment <sup>3</sup>	\$613	\$60	\$75	\$75	\$340	\$0	\$0	\$0
<b>Total withdrawals</b>	\$2,424	\$2,028	\$2,308	\$2,620	\$3,040	\$3,109	\$2,760	\$2,822
<b>Closing Balance</b>	\$80	\$188	\$159	\$471	\$613	\$855	\$929	\$1,012

**Notes:**

1. Other revenue includes interest earned on the IGR. Final 2024/25 "Other revenue" value to be confirmed as part of NRC annual reporting.
2. The IGR criteria provides for up to \$300k per annum to be provided for Project Development category. If funding is not used for Project Development, then it remains in the IGR and is available for allocation in future years, i.e. \$39k unspent in 2023/24 became available for 2024/25. The \$300k budget was all spent in 2024/25.
3. Enabling Investment allocations for 2025/26 are \$250,000 for Tuputupu Grow Northland and \$90,000 for International Inward Delegations.

## 6. Implementation issues

There are no implementation issues. Sending a letter of expectations in December provides adequate time for Northland Inc to consider the issues raised as the draft SOI is prepared

## 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 Northland Regional Council's significance and engagement policy. No public consultation is required for the Joint Committee to make the decisions detailed in this report.

## 8. Policy, risk management and legislative compliance

A letter of expectations to a council-controlled organisation is not a legislative requirement but rather a voluntary action agreed to by the Joint Committee intended to support an ongoing productive relationship with Northland Inc.

## Background/Tuhinga

In accordance with Schedule 8 from the Local Government Act 2002, council-controlled organisations (CCO) such as Northland Inc are required to submit a Statement of Intent to council or an appointed joint committee on an annual basis. This document outlines the strategic direction and priorities of the CCO for the following three years. A letter of expectations allows the owners of a CCO to provide guidance and direction as the CCO prepares its SOI. The figure below illustrates the process used by the Joint Committee to guide Northland Inc in shaping its SOI 2026/27.



Staff suggest that few changes be requested for 2026/27. This is because major changes were made in SOI 2024/25 to align with councils' LTP 2024-2034, the thorough review done for the SOI 2025/26 agreed to by the Joint Committee at their meeting on 25 July, and the expectation that there will be future changes made by the next Joint Committee to align with councils' LTP 2027-2037.

An initial discussion on the key points for inclusion in the letter of expectations took place at the Joint Committee meeting on 25 July 2025. The following short list of points have been prepared.

- Improve the description of how Northland Inc is funded by shareholders to reflect that the funding comes from the Investment and Growth Reserve and not from council's directly.
- Review the wording of the Objective for Strategic Pou 1 Investment and Infrastructure which refers to "business support services" which are also covered by Strategic Pou 4 Innovation and Enterprise.
- Label the KPIs as either Output or Outcome indicators as in Northland Inc's previous SOI 2024/25
- Request Northland Inc to develop its forecast financial budget based on receiving the following amounts of operational funding from the IGR: \$2,809K for 2026/27, \$2,406K for 2027/28 and \$2,552K for 2027/28.
- Reiterate that the intent of the Enabling Investment category of the IGR is to support third party economic development projects in accordance with the IGR criteria and not Northland Inc operations.

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## Attachments/Ngā tapirihanga

Nil

**TITLE: JREDC 2025-2028 Induction Programme: Governance Continuity and Induction**

**From:** Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

**Authorised by** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:** September 2025

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**Executive summary/Whakarāpopototanga**

This paper outlines the proposed Induction Programme of the incoming Joint Regional Economic Development Committee (Joint Committee), covering the period of the appointment of members in December 2025 through to the first formal meeting in March 2026. The programme is designed to equip newly appointed members with the foundational knowledge, tools, and context required to effectively undertake their governance responsibilities in regional economic development over the next three years.

**Attachment One** presents a draft schedule for the Induction Programme, with detailed content to be developed by staff. **Attachment Two** includes the supporting PowerPoint presentation prepared for the induction process. A skills matrix for elected members to assist councils in electing members to the committee has been provided as **Attachment Three**. A handbook of essential documents—also outlined in this paper—will be provided to the incoming committee. Finally, key messages from the current Joint Committee have been refined and will be passed on to ensure continuity and strategic alignment.

---

**Recommendation(s)**

1. That the report 'JREDC 2025-2028 Induction Programme: Governance Continuity and Induction' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 11 September 2025, be received.

That the Joint Regional Economic Development Committee:

2. Agree to the proposed Induction Programme as set out in Attachment One, noting that staff will further develop the detailed content ahead of the first formal meeting in March 2026.
3. Approve the supporting PowerPoint presentation included as Attachment Two, to be used as part of the induction process for incoming committee members.
4. Agree to the inclusion of a skills matrix for elected members of the incoming committee, included as Attachment Three, to support capability mapping and future development planning.
5. Agree to the provision of a governance handbook for the incoming committee, incorporating essential documents and guidance as outlined in this paper.
6. Endorses the refined key messages from the current Joint Committee, for staff to pass on to the incoming committee to ensure continuity and strategic alignment.

## Options

No.	Option	Advantages	Disadvantages
1	The Joint Committee agree the proposed Induction Programme, PowerPoint presentation, skills matrix, handbook outline, and key messages.	Provide certainty that a well-structured induction plan has been set out for the next committee, which will cover the most critical and key aspects of their work.  That the key messaging has been clearly outlined to the next committee.	No disadvantages have been identified in relation to this option.
2	Do not agree to the proposed Induction Programme, PowerPoint presentation, skills matrix, handbook outline, and key messages.	Allow the new members to form unbiased decisions.	Without an induction programme the next Joint Committee will be unprepared to undertake their work and responsibilities. A chance to agree to the key messages for the next Joint Committee is missed.

The staff's recommended option is Option 1, that the Joint Committee agrees to the proposed material as collectively they provide a clear pathway to support the incoming Joint Committee with a timely, well-structured induction process.

## Considerations

### 1. Climate Impact

There are no climate change impacts associated with this decision.

### 2. Environmental Impact

There are no direct environmental impacts associated with this decision.

### 3. Community views

There are no community views associated with this decision that need to be considered.

### 4. Māori impact statement

There are no known impacts on Māori in relation to this decision that are different from the general public.

### 5. Financial implications

This matter presents financial implications like the ones occurring for the general council induction. There is a cost associated with potential training provided by Economic Development New Zealand (EDNZ), preferably scheduled to take place in-person in February/March 2026.

#### 6. Implementation issues

The proposed Induction Programme set out in Attachment One is a draft programme intended to give an indication of the process timeline and context. Dates are subjects to change. Council staff will work together to finalise a detailed induction programme in due course. Should shareholder councils appoint their members to the Joint Committee early enough, it is hoped that the introductory session of the Joint Committee could occur in December 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 Northland Regional Council's significance and engagement policy because it is part of council's day to day activities.

#### 8. Policy, risk management and legislative compliance

This decision is consistent with policy and legislative requirements and there are no risks associated with making this decision. However, there is a potential risk if an induction programme is not in place at the start of the next Joint Committee's term. This may result in the lack of preparation and therefore prevent the Joint Committee members from effectively undertaking their role and responsibilities.

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### Background/Tuhinga

The purpose of the induction programme is to set up the newly appointed members of the Joint Committee. It provides all Joint Committee members with an introduction to economic development culture, structure, and organisations they might interact with regionally and nationally. The proposed induction programme will include a balance of theory and training, reflection, socialisation and practise.

### Proposed Induction Programme

The induction process of the new Joint Committee aims at building knowledge but also helping the new members to start thinking and planning for the region's success. The new Joint Committee will benefit from gaining understanding of regional economic development in Northland, how it works, who drives it, and the role they play in this space.

The proposed Induction Programme set out in **Attachment One** is a draft programme intended to give an indication of the process timeline and context. Dates are subject to change. Council staff will work together to finalise a detailed induction programme in due course. Should shareholder councils appoint their members to the Joint Committee early enough, it is hoped that the introductory session of the Joint Committee could occur in December 2025. The following activities are proposed as part of the programme:

Activity	Timing	Audience
<b>Joint Council Induction</b>		
<b>Joint induction opportunity with Northland Inc board</b>	16 December 2025 (Northland Forward Together meeting hosted by NRC)	All elected members across Northland councils
<b>Joint Regional Economic Development Committee Induction</b>		

<b>Joint Committee Induction Session and Handbook Overview</b> Includes an introductory briefing for Joint Committee members and alternates, presentation of the induction handbook, an update from BECA on the Northland Infrastructure Plan, and a regional economic overview from Infometrics.	December 2025/early February 2026	Joint Committee members and alternates
<b>Welcome session at Northland Inc</b> Includes mihi whakatau, and introductions to board and staff	December 2025/March 2026	Joint Committee members and alternates
<b>EDNZ training programme</b>	February 2026	Joint Committee members and alternates

The introductory session will cover the roles and responsibilities of the Joint Committee as shareholders of Northland Inc, particularly around the appointment of directors and their remuneration, the annual development of the Statement of Intent (SOI), and their governance responsibilities via the board of Northland Inc. It will also specifically consider the role of the Joint Committee in overseeing the allocation of funding from the Investment and Growth Reserve. The tangata whenua perspective on regional economic development will also be traversed.

#### Joint Regional Economic Development Committee Handbook 2025/28 Content

It is recommended that the handbook provided to the incoming Joint Committee includes the following key documentation:

Item	Document
1	Joint Regional Economic Development Committee Terms of Reference
2	Northland Inc Shareholders Agreement including Constitution of Northland Inc
3	Investment and Growth Reserve – Criteria and procedures for allocation of funding
4	Policy on the appointment of directors to Northland Inc
5	Northland Inc board of directors – current terms of appointment
6	Northland Inc Annual Report 2025/26
7	Northland Inc Statement of Intent for 2025-28

#### Key messages to the next Joint Committee

The Joint Committee, established on 1 July 2021, has convened five to six times per year. As Northland enters a new phase of economic development, the outgoing Joint Committee offers the following guidance to support incoming members in their stewardship of Northland's shared aspirations:

- Enhancing Strategic Relationship and Governance Clarity with Northland Inc

A constructive and transparent relationship between the Joint Committee and the board of Northland Inc is essential to advancing shared economic development goals. The Joint Committee's role in appointing directors is pivotal to ensuring robust governance and alignment with shareholder expectations. Incoming members are encouraged to maintain clarity around the distinct roles of shareholders (direction-setting) and directors (implementation oversight), fostering mutual accountability and trust.

The outgoing committee also notes that engagement over the past triennium has been limited—primarily to formal touchpoints and involving only a small number of directors. A renewed commitment from both parties to establish a more intentional and reciprocal communication rhythm will be critical to strengthening collaboration, improving responsiveness, and ensuring strategic alignment.



- Northland Inc Director Appointments

The terms of two directors—Chair and Deputy Chair—are set to conclude on 30 June 2026. As these directors are completing their first term and have demonstrated strong performance, the Joint Committee recommend that—should the directors wish to continue—the incoming Committee consider reappointment rather than initiating a market recruitment process. This approach supports continuity, preserves institutional knowledge, and affirms the value of effective governance. Additionally, the incoming Joint Committee may wish to consider a review of directors' remuneration in 2026, noting that the last reviews were conducted in 2021 and 2018 respectively.

- Taitokerau Economic Wellbeing Pathway

The strategy continues to serve as a cornerstone for coordinated regional action. It guides Northland Inc's Statement of Intent and supports councils in aligning their contributions. The Joint Committee encourages new members to view economic development as a catalyst for enhancing environmental, social, and cultural wellbeing – not growth for its own sake. This principle is embedded in the current SOI and should remain central to future iterations.

- Participation and communication across of all councils

Maintain a shared aspiration to strengthen the regional collaboration underpinning Northland Inc's work, with all four councils continuing as active shareholders. Equally vital is the commitment to fostering transparent and effective communication amongst councils—ensuring consistent engagement, shared understanding, and aligned decision-making that supports regional aspirations.

- Regional Reach

It is essential to realise that while regional reach is important, Northland Inc's role is to serve the region rather than focus on work in individual council areas. While the Joint Committee members are committed to their designated councils, it is critical that the work of Northland Inc focus on what is best for the whole of Northland.

- Infrastructure Alignment and Advocacy


The Committee highlights the importance of aligning Northland Inc's work with the emerging Northland Infrastructure Plan and associated initiatives, including:


- The Northland Corridor and Energy Bridge projects
- Expansion of Northport and development of a floating dry dock
- Investment in renewable energy, and regional economic zones


These projects are not only economic enablers but also vehicles for resilience, connectivity, and long-term prosperity. The incoming Committee should actively advocate for infrastructure that supports regional priorities and unlocks transformational opportunities.

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### **Attachments/Ngā tapirihanga**

Attachment 1: JREDC Induction Programme 2025/26 [!\[\]\(4f6bf54ae7e4144a72d78316053e412d\_img.jpg\)](#) 

Attachment 2: JREDC Draft Induction Briefing PowerPoint Presentation [!\[\]\(3342c215b2a8b663596a81468d5dc314\_img.jpg\)](#) 

Attachment 3: Incoming JREDC Members Skills Matrix [!\[\]\(56549452e01ca28bdf2500ced9653143\_img.jpg\)](#) 

Joint Regional Economic Development Committee  
2025/26 Induction Programme



INDUCTION GOAL




INDUCTION PURPOSE



INDUCTION FORMAT

LOCAL ELECTIONS & NEW COUNCILS				
COMMITTEE FORMATION	Phase 1 - December 2025			Outcome
	<b>The right people</b> First time appointed committee members need to be properly informed on how their committee works and equipped with tools and knowledge to contribute to economic development in the region.			<b>New members</b> <ul style="list-style-type: none"><li>✓ Make informed decision</li><li>✓ Have realistic expectations of the work</li><li>✓ Start good governance practice</li><li>✓ Maintain/improve relationships and parternships</li></ul>
GOVERNANCE KNOWLEDGE	Phase 2 - December 20225/ February 2026*	Tools		Outcome
	<b>Joint Committee anatomy</b> It is important the new members understand their role and responsibilities. Part of this process includes reviewing the Joint Committee Terms of Reference document.	<b>Introductory session by NRC staff</b> Introducing the new members of the committee as well as council staff. Outlining processes, roles and responsibilities. <b>Induction JREDC Hanbook</b> A document that committee members can refer to during their term.	<b>Welcome session at Northland Inc</b> Half-day at The Orchard to meet staff and board. Mihi whakatau included.	<b>New members</b> Participate in effective, timely induction to achieve the right level of competency to enable their successful contributions. A well-paced programme to ensure newly appointed members are not overwhelmed with knowledge, but instead receive the right support at the right time. <b>Tangata whenua perspective</b> Iwi/hapū activity on regional economic development will also be traversed.
BUILD TECHNICAL KNOWLEDGE	Phase 3 - late February 2026			
	<b>Learning opportunity</b> One of the challenges appointed members must grapple with is the need to upgrade their technical skills and knowledge to enable them to make well-informed decisions.	<b>ED Course</b> There is an intention to offer a one-day training session to support councillors in strengthening their understanding of regional economic development. The training may be facilitated by Economic Development New Zealand or another expert provider, subject to confirmation.		<b>Indicative topics to be covered in the course include:</b> <ul style="list-style-type: none"><li>✓ The value of investing in economic development and who benefits</li><li>✓ Strategic approaches to economic development</li><li>✓ Key economic drivers within the region</li><li>✓ The role of the Economic Development Agency (EDA) and its accountability</li><li>✓ Conditions that help ensure EDA success</li></ul>
REGIONAL OVERVIEW	Phase 4 - Ongoing	Tools		
	<b>Local economic development ecosystem</b> Understanding the current regional environment, its challenges and opportunities is critical for best economic development practices. Similarly, understanding the role that other organisations play in the region is an essential tool for decision-makers.	<b>Series of workshops</b> A series of workshops held by council/NINC staff as part of the Joint Committee quarterly workshop session to ensure that major areas of regional work, projects and organisations have been outlined in detail to the new members.		<b>Work on the ground</b> The new committee will be given the opportunity to visit work on the ground across the region as part of their Annual Work Plan.

\*The month of the introductory session will be determined based on time of appointment of the next Joint Committee




# Induction briefing for the Joint Regional Economic Development Committee

12 December 2025

**Northland**  
REGIONAL COUNCIL  
Te Kaunihera ā rohe o Te Taitokerau

## Overview

- Introduction to council staff
  - JREDC – roles, decisions, other background
  - Northland Inc – Directors, SOI, funding, etc
  - Investment and Growth Reserve
- 

# Who we are

## Joint Regional Economic Development Committee Staff Group / Officials



# Joint Regional Economic Development Committee



## Relationship diagram



Joint and equal ownership as from 1 July 2022

Joint and equal ownership  
as from 4 September 2024



Shareholder responsibilities delegated to

**Joint Regional Economic  
Development Committee**

## Main roles and responsibilities

- **Governance of Northland Inc (CCO)**  
Oversee the SOI and appoint directors as shareholder representatives
- **Strategic Allocation of Investment and Growth Reserve (IGR)**  
Determine funding priorities to support regional initiatives
- **Regional economic development leadership**  
In matters such as regional deals proposal

## Schedule for first Formal Meeting - March 2026

Time	Item	Comment
10am – 11.30am	JREDC Formal Meeting	NRC
12pm – 12.30pm	Welcoming / Pōwhiri of the committee	Northland Inc
12.30pm – 1pm	Lunch	Northland Inc

} Preparation of speakers and waiata

## Key Decisions Points – March Meeting

Decisions	Further points
Elect Committee Chair	
Approve Annual Work Plan	<ul style="list-style-type: none"> <li>- Confirm meeting venues and dates</li> <li>- Endorse initial priorities and engagement approach</li> </ul>
Director Appointment Process	<ul style="list-style-type: none"> <li>- Note timeline and responsibilities for Northland Inc board appointments</li> </ul>
Receive Draft Statement of Intent (SOI)	<ul style="list-style-type: none"> <li>- Acknowledge receipt and outline review process</li> </ul>
Approve Northland Inc Lease Agreement	<ul style="list-style-type: none"> <li>- Endorse five-year photocopier lease as required under the Shareholder Agreement</li> </ul>

## Operational Matters – March Meeting

Matters	Specific points
Meeting Format	<ul style="list-style-type: none"> <li>- Formal committee meeting followed by a strategic workshop if and when required</li> </ul>
Agenda Distribution	<ul style="list-style-type: none"> <li>- Full agenda and workshop memo to be circulated one week prior</li> </ul>
Quorum Requirements	<ul style="list-style-type: none"> <li>- Minimum of one in-person representative from each council</li> <li>- Additional members may join online</li> </ul>
Decision-Making Protocol	<ul style="list-style-type: none"> <li>- Aim for consensus-based decisions to reflect shared regional priorities</li> </ul>

## Key messages from previous JREDC

Focus Area	Key Message	Recommendation Action
<b>Strategic relationship with Northland Inc</b>	Strengthen governance clarity and mutual accountability between Joint Committee and Northland Inc board	Establish regular, reciprocal engagement and clarify shareholder vs. director roles
<b>Director Appointments</b>	Two directors' terms end 30 June 2026; both have performed strongly	Consider reappointment for continuity; review remuneration in 2026
<b>Taitokerau Economic Wellbeing Pathway</b>	Economic development should enhance environmental, social, and cultural wellbeing	Uphold wellbeing-focused principles in future SOIs
<b>Council Participation &amp; Communication</b>	All four councils must remain active and aligned	Foster transparent, consistent communication across councils

## Key messages from previous JREDC

Focus Area	Key Message	Recommendation Action
<b>Regional Reach</b>	Northland Inc must serve the region as a whole	Prioritise regional benefit over individual council interests
<b>Infrastructure Alignment and Advocacy</b>	Align with emerging infrastructure priorities	Support advocacy for projects i.e., Corridor, Energy Bridge, Northport, renewables, and economic zones



# Northland Inc

## Council-controlled organisation



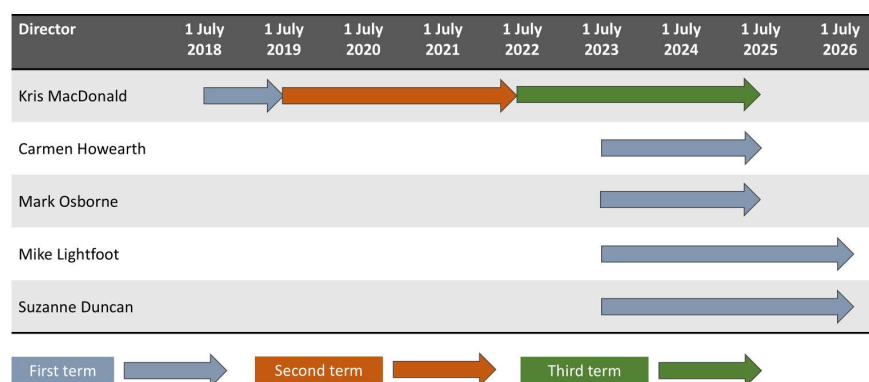
## Northland Inc Overview

Aspect	Details
<b>Establishment</b>	Formed in July 2011 through the merger of Enterprise Northland and Destination Northland
<b>Ownership Structure</b>	Originally 100% NRC-owned; since 1 July 2021, jointly owned by NRC, FNDC, and KDC (40 shares each) and since 1 July 2023 jointly owned by NRC, FNDC, KDC and WDC
<b>Legal Status</b>	Operates as a Limited Liability Company and Council-Controlled Organisation (CCO) to balance independence with public accountability
<b>Core Objective</b>	To deliver shareholder objectives as outlined in the annual Statement of Intent (SOI)
<b>Reporting Requirements</b>	Must produce: • Annual SOI (agreed by Joint Committee) • Audited Annual Report (received by Joint Committee) • Half-year financials and KPIs • First and third quarter KPI reports

## Northland Inc Directors

Aspect	Details
<b>Appointment Authority</b>	Directors are appointed by JREDC in accordance with the approved policy (see p.47 handout)
<b>Current Composition</b>	Five directors appointed; no fixed minimum or maximum number
<b>Rotation &amp; Chair Selection</b>	JREDC appoints directors on a rotational basis; directors elect their own Chair
<b>Term Limits</b>	Maximum of three terms per director; each term is up to three years
<b>Reappointment Criteria</b>	Reappointments beyond six years considered case-by-case; no automatic expectation of renewal

## Northland Directors – Current terms



## Northland Inc Directors

### Typical Appointment Process

#### Recommended Approach:

- Proceed with open market recruitment to ensure transparency and attract diverse candidates
- Reduce board size from seven to five by replacing four directors with three
- Include Northland Inc Chair in the appointment process for strategic alignment

## Directors – proposed skills matrix

#### Core competencies:

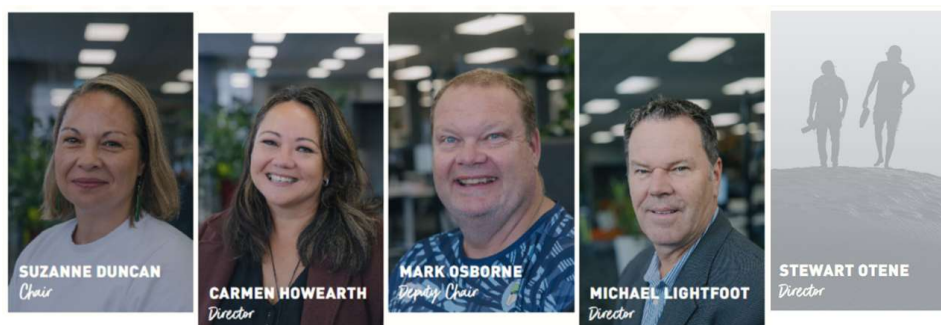
- Proven ability to uphold good **governance** standards, operate **strategically**, and apply adept **leadership** skills.
- Understanding of a director's **financial and audit** obligations (including those of companies operating under the Local Government Act), and have business management skills including strong financial literacy and acumen.
- Able to make **sound analytical decisions** based on all information available.
- Able to critically assess and **manage risks**, including health and safety.
- Experience in **leading** an organisation **through change**, working openly with colleagues to achieve results and resolve issues.
- A capacity to manage an organisation **through a crisis**.
- Proven ability to **foster good relationships** with shareholders and stakeholders, including with central government.
- Experience in **communications and marketing** activities.
- Ability to actively participate as part of the board, **work smoothly and productively with colleagues** and effectively represent the organisation on external bodies and the public.

## Directors – proposed skills matrix

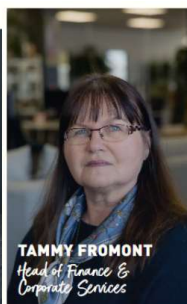
### Specific to Northland Inc:

- Understanding of **sustainable regional economic development**.
- Knowledge of **tikanga Māori** in the Tai Tokerau context and a commitment to developing this knowledge and experience.
- Understanding of **Māori economic development**, including experience within, or governance of, Māori organisations.
- Understanding of **community development** and the contribution that sustainable economic development can make.
- Understanding of **local and central government** processes, policy and regulation.
- Sustainable thinking and awareness of **relevant environmental issues**.
- Proven track record in **business growth** and development.

## Northland Inc Board

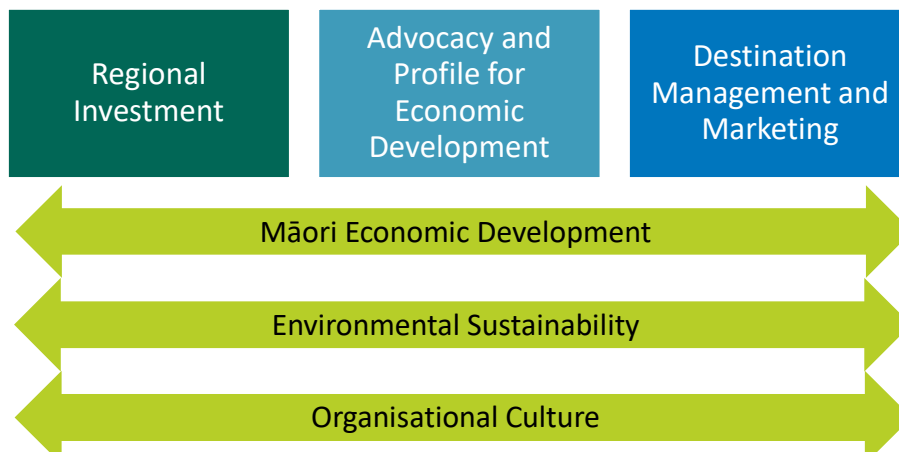


## Northland Inc Executive Team



## Structure of activities

- Three work areas; three cross-cutting activities



## Statement of Intent

- Completed every year, with financials covering a 3-year period
- LGA 2002 legislative requirements
  - Sets minimum content, e.g. objectives, KPIs, financials
  - JREDC must receive draft SOI by 1 March
  - **Shareholder must provide any feedback by end of April**
  - JREDC must receive board approved final by 30 June
- Additional “best practice”
  - JREDC sends letter of expectations by end of December
  - Quarterly workshop discussions
- Custom: Major review in-line with LTP, tweaks other two years

## Funding

- Total revenue around \$5M p.a. / similar level of expenses
- Operational funding of ~\$1.9M annually from Investment and Growth Reserve (see later slide)
- Other funding from central government, e.g. BAU funding from New Zealand Trade and Enterprise (NZTE) and Callaghan and then project specific, e.g. MPI re peanuts
- \$105,000 from WDC
- Revenue from the Orchard
- Ad hoc project funding from IGR, e.g. Extended Regional Promotions and Extension 350

## Quarterly Meetings

- March, June, September and December
- Develop relationship between council and board
- Discuss SOI, progress on meeting KPIs
- Provide update on projects being considered for IGR funding (both Project Development and Enabling Investment)
- Focus on a particular workstream, e.g. at September workshop focussed on destination management and marketing
- **March meeting will include powhiri @ Northland Inc**

## Investment and Growth Reserve

Economic development  
funding support

## Investment and Growth Reserve

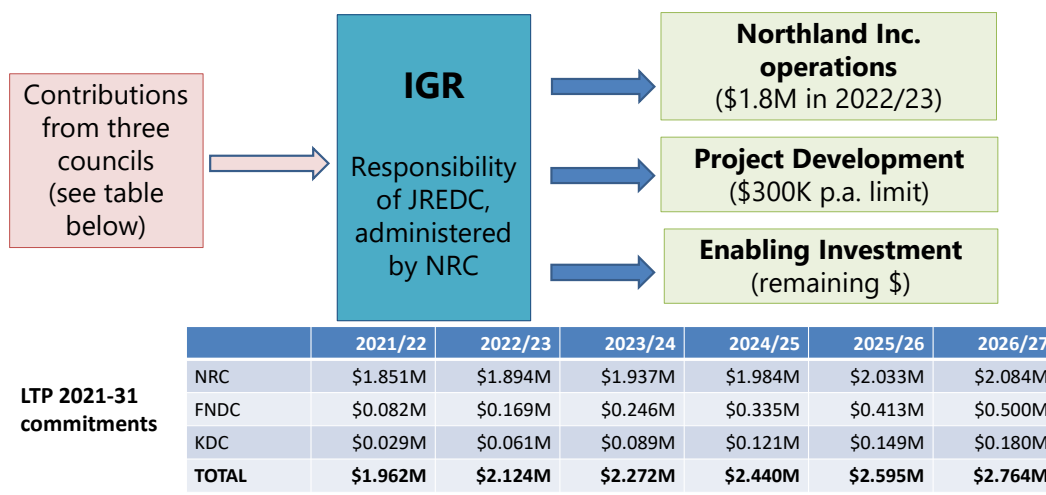
**Established:** in 2011/12 NRC annual plan

**Objective:** to provide a fund that enables shareholder councils to make strategic investments that lift the long-term growth of the Northland economy that support strong communities and environmental sustainability

**Criteria:** establishes funding categories, assessment of projects, guiding principles, etc. (page 55 Handbook)

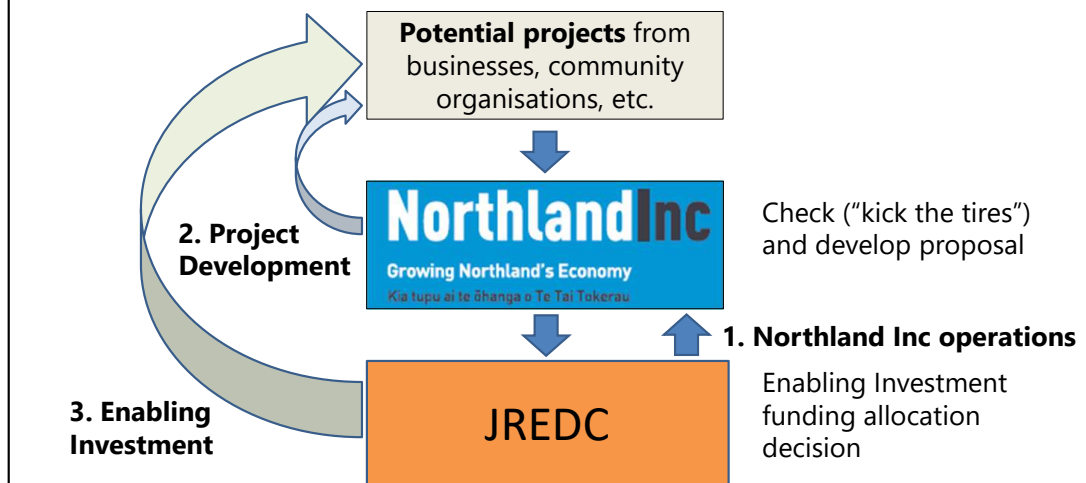
<https://www.nrc.govt.nz/your-council/economic-development/investment-and-growth-reserve/>

## How is it funded and spent?





## What is the allocation process?



Forecast cash flow balances of the Investment and Growth Reserve, 2022/23 to 2026/27  
based on current funding commitments  
\$'000

Investment and Growth Reserve	2021/22		Based on LTP commitments and Northland Inc SOI 2022-25				
	Budget	Actual	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Opening Balance</b>	\$533	\$533	\$80	\$170	\$170	\$170	\$170
<b>Deposits</b>							
Northland Regional Council	\$1,864	\$1,864	\$1,894	\$1,937	\$1,984	\$2,033	\$2,084
Far North District Council	\$82	\$82	\$169	\$246	\$335	\$416	\$500
Kaipara District Council	\$29	\$29	\$61	\$89	\$121	\$149	\$180
Total local government contribution	\$1,975	\$1,975	\$2,124	\$2,272	\$2,440	\$2,598	\$2,764
Other revenue <sup>1</sup>	\$11	-\$3	\$0	\$0	\$0	\$0	\$0
<b>Total deposits</b>	\$1,986	\$1,972	\$2,123	\$2,272	\$2,440	\$2,598	\$2,764
<b>Withdrawals</b>							
Northland Inc operational expenditure funding	\$1,637	\$1,637	\$1,824	\$1,972	\$2,140	\$2,193	\$2,248
Project Development <sup>2</sup>	\$300	\$175	\$150	\$300	\$300	\$300	\$300
Enabling Investment (EI)							
Committed EI funding	\$533	\$533	\$0	\$0	\$0	\$0	\$0
Grow Northland			\$60				
Potential funding available for EI allocation <sup>3</sup>	\$30	\$80	\$0	\$0	\$0	\$105	\$210
<b>Total withdrawals</b>	\$2,499	\$2,424	\$2,034	\$2,272	\$2,440	\$2,598	\$2,758
<b>Closing Balance</b>	\$19	\$80	\$170	\$170	\$170	\$170	\$176

**Notes**

1. Other revenue includes interest earned on the IGR.

2. The IGR criteria provides for up to \$300,000 per annum to be provided for Project Development category. If funding is not used for Project Development then it remains in the IGR and is available for allocation in future years.

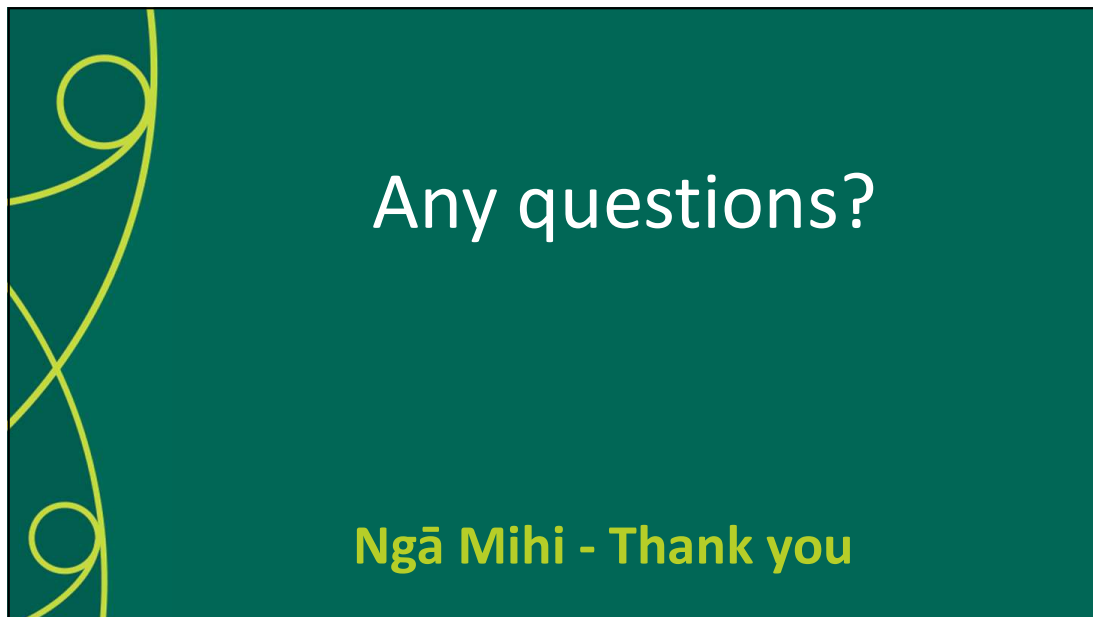
3. This figure represents a quantum that could be spent. If it is not spent then it stays in the IGR and increases the funding available for later years.

## What projects have received enabling investment?

Year	Project name	Amount	Years
2013/14	Economic development opportunities for better water management	\$240,000	3
2014/15	REL Sawmill (loan)	\$750,000	5
2014/15	Twin Coast Tourism Discovery Revitalisation	\$493,000	3
2014/15	Pou Herenga Tai   Twin Coast Cycle Trail	\$900,000	2
2015/16	Expanded Regional Promotions	\$1,231,000	3
2015/16	The Orchard (collaborative business hub)	\$70,000	1
2016/17	Extension 350	\$833,000	6
2016/17	Waitangi Mountain Bike Park	\$400,000	1
2016/17	Hundertwasser Art Centre (Whangārei)	\$1,500,000	3
2017/18	Extended Regional Promotions (second allocation)	\$600,000	3
2017/18	Northland Water Storage and Use Project	\$100,000	3
2017/18	Te Hononga – Kawakawa Hundertwasser Park Centre	\$500,000	2
2018/19	Manea Footprints of Kupe	\$500,000	2
2021/22	Regional Economic Development Strategy	\$80,000	2
2022/23	Grow Northland	\$60,000	1
<b>TOTAL (13 projects, two have received a second allocation)</b>		<b>\$8,257,000</b>	

## Enabling Investment project management

- Prepare JREDC decision paper to accompany Northland Inc board recommendation showing funding available
- Once agreed, negotiate funding agreement with recipient and signed by NRC CEO
- Ensure conditions are met before authorising payment
- Review reports provided as required by the funding agreement
- All projects undertaken by external parties, two by Northland Inc (E350 and Extended Regional Promotions)



# Joint Regional Economic Development Committee

## Incoming Elected Members Skills and Experience matrix

Key attributes Skills and/or experience	Definition	Essential, Desirable, or Beneficial
<b>Local Government Governance</b>	Understanding of council governance structures, decision-making protocols, and statutory responsibilities under the Local Government Act.	Essential
<b>Regional Economic Development Knowledge</b>	Familiarity with regional economic drivers, development strategies, and inter-agency collaboration frameworks.	Essential
<b>Stakeholder Engagement &amp; Partnership Building</b>	Ability to build trust and collaborate with iwi, hapū, business leaders, central government, and community groups.	Essential
<b>Strategic Thinking &amp; Planning</b>	Capacity to contribute to long-term regional strategies, balancing local priorities with broader economic goals.	Essential
<b>Cultural Competency</b>	Sensitivity to diverse cultural contexts, especially Māori and Pasifika communities, and ability to reflect these in decision-making.	Essential
<b>Financial Literacy</b>	Ability to interpret budgets, funding proposals, and economic impact assessments relevant to regional initiatives.	Essential
<b>Sustainability &amp; Climate Resilience Awareness</b>	Understanding of sustainable development principles, climate adaptation strategies, and infrastructure resilience.	Desirable
<b>Infrastructure &amp; Planning Insight</b>	Familiarity with regional infrastructure planning, investment frameworks, and spatial planning tools.	Desirable
<b>Public Sector Collaboration</b>	Experience working across councils, government agencies, and regional entities to align priorities and resources.	Desirable
<b>Communication &amp; Advocacy</b>	Ability to clearly articulate regional development goals, advocate for community needs, and engage effectively with media and public forums.	Essential

2024 10 30

<b>Risk Awareness &amp; Governance Oversight</b>	Understanding of governance risks, including reputational, financial, and operational risks in regional development contexts.	Desirable
<b>Te Tiriti o Waitangi Competency</b>	Understanding of Te Tiriti principles and their application in governance, planning, and partnership with Māori.	Essential
<b>Māori Economic Development Understanding</b>	Awareness of Māori economic priorities, kaupapa Māori approaches, and mechanisms to support iwi and hapū aspirations.	Essential

**Note**

Here's how each level of necessity is defined:

- **Essential:** Core skills or experiences required for fulfilling the member's responsibilities effectively and supporting the board's strategic needs.
- **Desirable:** Important skills or experiences that would add value to the committee's goals but are not mandatory.
- **Beneficial:** Additional skills or knowledge that could contribute to broader committee capabilities or provide unique insights, though they are not prioritised for the role.

**TITLE:** **Northland Inc Limited: Annual Report for the year ending 30 June 2025**

**From:** Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

**Authorised by** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:** September 2025

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### **Whakarāpopototanga / Executive summary**

Northland Inc Limited's (Northland Inc) Annual Report for the year ending 30 June 2024 (**Attachment 1**) conforms to the requirements of the Local Government Act (LGA) 2002. Northland Inc report an after-tax surplus of \$11,892 for the 2024/25 financial year compared to a budgeted surplus of \$298 (2023/24: \$7,757 surplus compared to a budget surplus of \$952), producing a closing equity position of \$211,225 as at 30 June 2025 (\$199,333 as at 30 June 2024). Fifteen of the 18 performance measures set out in Northland Inc's Statement of Intent 2024/25 have been achieved.

Representatives from Northland Inc will attend the Joint Committee meeting to comment on the annual report and answer any questions.

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### **Ngā mahi tūtohutia / Recommendation**

That the report 'Northland Inc Limited: Annual Report for the year ending 30 June 2025' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 11 September 2025, be received.

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### **Background/Tuhinga**

As required under section 67 of the LGA 2002, Northland Inc has delivered to its shareholders, within three months after the end of the financial year, their annual report for the year ended 30 June 2024 (**Attachment 1**). A final annual report will be tabled at the Joint Committee meeting following the Northland Inc board meeting on Wednesday 24 September. The final version will include the following three elements missing from the draft attached to this agenda item.

1. Auditors report (pp 8-10 of Attachment 1). Northland Inc have informed staff that the audit report prepared by Deloitte will give an unqualified opinion that the financial statements and KPI reporting present fairly the performance of the company and complies with legislative and standard account practices.
2. Director signatures confirming the financial information (p11 of Attachment 1).
3. A subsequent event note disclosing the initiation of a restructuring process that has commenced since 1 July 2025.

This is the fourth annual period since Northland Inc became a jointly owned council-controlled organisation (CCO) on 1 July 2021. At 30 June 2025, Northland Inc was jointly and equally owned by four Northland local authorities: Far North District Council, Kaipara District Council, Northland Regional Council and Whangarei District Council (30 shares each).

Under the LGA 2002, the responsibility of shareholders is simply to receive the report, which it is doing by way of this report. Each council must publish the annual report on its website within one month of receiving it.

Staff have reviewed the annual report and confirm that the requirements of the LGA 2002 in relation to the content, i.e., sections 68 and 69, have been met, e.g., performance reporting against the Statement of Intent (SOI), audited consolidated financial statements, and an independent auditor's report (this has been completed and will be included in the final version tabled at the meeting).

In terms of reporting against the key performance indicators (KPIs) set out in Northland Inc's SOI 2024/25, the results are set out on pages 3-4 of the annual report. Northland Inc achieved 15 of the 18 targets. The three KPIs not met are: the number businesses and landowners that as a result of engagement are exploring, developing, leading and delivering on change activity (result is 11 with target of 24); the proportion of those businesses assisted that are Māori (result is 33% with target of 35%); and the number of Northland businesses supported to meet climate adaptation targets set by Central Government (not met as climate adaptation targets have not been set).

Northland Inc report an after-tax surplus of \$11,892 in the 2024/25 financial year compared to a budget surplus of \$298 (2023/24: \$7,757 surplus compared to a budget surplus of \$952), producing a closing equity position as at 30 June 2025 of \$211,225 (\$199,333 as at 30 June 2024).

At its meeting on 24 September 2025, the board of Northland Inc agreed to not hold an annual meeting of shareholders as there is nothing to be done at such a meeting. Under clause 5.3 of the Constitution of Northland Inc, the board can resolve not to hold an annual meeting of shareholders if there is nothing required to be done.

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### **Attachments/Ngā tapirihanga**

Attachment 1: Northland Inc Annual Report for year ending 30 June 2025 [↓](#) 



**NorthlandInc**

Growing Northland's Economy  
Kia tupu ai te ōhanga o Te Tai Tokerau

# Annual Report

*Statement of Service Performance  
& Financial Statements*

For the Year Ended 30 June 2025







# CONTENTS

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Independent Auditor's Report	8	Statement of Cash Flows	14
Statement of Comprehensive Revenue and Expense	11	Notes to the Financial Statements	15

DRAFT



# ENTITY INFORMATION

As at 30 June 2025

## LEGAL NAME OF ENTITY

Northland Inc Limited

## TYPE OF ENTITY AND LEGAL BASIS

Northland Inc Limited is a company registered under the Companies Act 1993. The company is controlled by The Joint Regional Economic Development Committee and is a council-controlled organisation as defined by Section 6 of the Local Government Act 2002.

## REGISTRATION NUMBER

857377

## COMPANY'S PURPOSE

The Company's principal activity during the year was the development of the economy in Northland and review of funding opportunities for the Investment and Growth Reserve.

## STRUCTURE OF COMPANY'S OPERATIONS

The Company comprises a Board of six Directors who oversee the governance of the Company, a Chief Executive Officer who is responsible for the day-to-day operations of the Company and reporting to the Directors. The Directors are appointed by the Joint Regional Economic Development Committee.

## MAIN SOURCES OF THE COMPANY'S CASH AND RESOURCES

Operating grants are received from the The Joint Regional Economic Development Committee and this is the primary source of funding to the Company.

## DIRECTORS

Suzanne Duncan  
Mark Osborne  
Michael Lightfoot  
Kris MacDonald  
Carmen Howearth

## ACCOUNTANTS

Findex Limited  
Level 1, Findex House,  
57 Willis Street  
Wellington 6011

## SHAREHOLDERS

Northland Regional Council - 30  
Kaipara District Council - 30  
Far North District Council - 30  
Whangārei District Council - 30  
Total Ordinary Shares - 120

2024 / 25 KPI RESULTS

# STATEMENT OF SERVICE PERFORMANCE

## 2024/2025 KPI RESULTS

As at 30 June 2025

INVESTMENT AND INFRASTRUCTURE				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of inward delegations hosted - <b>Achieved</b>	3 per annum	6	200%
Outcomes	Number of high impact projects that are being actively supported (reporting by regional strategic sectors) - <b>Achieved</b>	4 per annum	6	150%

THE PRIMARY SECTOR (TUPUTUPU GROW NORTHLAND)				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Projects assisted through stages of growth - <b>Achieved</b>	6 per annum	6	100%
Output	Number of meaningful engagements and relationships with landowners, businesses, stakeholder that lead to and support positive outcomes. - <b>Achieved</b>	88 per annum	88	100%
Outcomes	Number of businesses and landowners that as a result of engagement are exploring, developing, leading and delivering on change activity - <b>not Achieved</b>	24 per annum	11	46%
Comments	KPI developed as part of a group of KPI's showing delivery of work within Tuputupu Grow Northland. Intention is for a series of engagements (output KPI) to identify priorities for Market Opportunity Studies, to enable study completion and work with businesses and landowners to explore land use change (outcome KPI) . Due to the contractual (and therefore funding) delays, Market Opportunity Studies have not yet been completed, hindering ability to make significant progress with businesses and landowners wishing to explore change. The Market Opportunity Studies will be released in September 2025.			

2024 / 25 KPI RESULTS

TOURISM AND DESTINATION MANAGEMENT				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of destination marketing campaign initiatives to generate national exposure to the region (reporting will include number of businesses that are engaged in the campaign). - <b>Achieved</b>	1	3	300%
Outcomes	Number of Destination Management Plan initiatives completed in partnership with stakeholders. - <b>Achieved</b>	6	6	100%

INNOVATION AND ENTERPRISE				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of business engagements assisted (includes both one to one and one to some assistance and reporting by TA and industry). - <b>Achieved</b>	250	354	142%
Output	Proportion of those business engagements that are Māori (by TA and industry). - <b>not Achieved</b>	35%	33%	93%
Outcomes	Client satisfaction with businesses assistance provided by Northland Inc as measured by Net Promotor Score. - <b>Achieved</b>	>50	83	

ADVOCACY AND BRAND				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of regional economic development updates or reports released. - <b>Achieved</b>	6	8	133%
Outcomes	Number of media features that profile the region. - <b>Achieved</b>	24	39	163%
Outcomes	Number of media activity that references Northland Inc. - <b>Achieved</b>	52	53	102%

2024 / 25 KPI RESULTS

MĀORI ECONOMIC DEVELOPMENT				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of iwi/hapū groups and other Māori organisations, e.g. marae, land trusts, etc. actively supported. - <b>Achieved</b>	18	25	139%
Outcomes	Proportion of Māori organisations that are satisfied with Northland Inc support. - <b>Achieved</b>	>80%	87%	109%

ENVIRONMENTAL SUSTAINABILITY				
Measured by:		2024/25 Target	2024/25 Actual 30 June	% of target
Output	Number of businesses and organisations supported to improve their environmental sustainability. - <b>Achieved</b>	20	44	220%
Outcomes	Number of Northland businesses taking action to reduce their emissions. - <b>Achieved</b>	20	44	220%
Outcomes	Number of Northland businesses supported to meet climate adaptation targets set by Central Government.	20	Not Applicable	
Comments	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 include the Diversified Pastures Project and the Tourism Carbon Footprint Programme.			



INDEPENDENT AUDITOR'S REPORT



DRAFT



INDEPENDENT AUDITOR'S REPORT



DRAFT





INDEPENDENT AUDITOR'S REPORT



DRAFT

# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

For the year ended 30 June 2025

	Notes	2025 Actual \$	2025 Budget \$	2024 Actual
<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>				
Grants revenue	6	2,245,000	2,245,000	2,077,000
Grant funded project revenue		2,916,204	1,462,458	3,457,557
<b>Total revenue from non-exchange transactions</b>	6	<b>5,161,204</b>	<b>3,707,458</b>	<b>5,534,557</b>
<b>REVENUE FROM EXCHANGE TRANSACTIONS</b>				
Tenant income		451,810	100,000	402,431
<b>Total revenue from exchange transactions</b>		<b>451,810</b>	<b>100,000</b>	<b>402,431</b>
<b>TOTAL REVENUE</b>		<b>5,613,014</b>	<b>3,807,458</b>	<b>5,936,988</b>
<b>EXPENSES</b>				
Wages, salaries and other employee costs		2,059,749	2,121,733	2,371,743
Depreciation		59,331	56,000	74,643
Other overhead and administrative expenses	7	3,555,038	1,629,427	3,569,639
<b>TOTAL EXPENSES</b>		<b>5,674,118</b>	<b>3,807,160</b>	<b>6,016,025</b>
Interest income		59,516	-	102,125
Finance costs		-	-	(18,496)
<b>NET SURPLUS/(DEFICIT) FROM FINANCE ACTIVITIES</b>		<b>59,516</b>	<b>-</b>	<b>83,629</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(1,588)</b>	<b>298</b>	<b>4,591</b>
<b>OTHER GAINS/(LOSSES)</b>				
Gain/(loss) on disposal of assets		13,480	-	3,166
<b>TOTAL OTHER GAINS/(LOSSES)</b>		<b>13,480</b>	<b>-</b>	<b>3,166</b>
<b>SURPLUS/ (DEFICIT) BEFORE TAX</b>		<b>11,892</b>	<b>298</b>	<b>7,757</b>
Income tax expense	8	-	-	-
<b>SURPLUS/ (DEFICIT) AFTER TAX</b>		<b>11,892</b>	<b>298</b>	<b>7,757</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR</b>		<b>11,892</b>	<b>298</b>	<b>7,757</b>

These financial statements have been authorised for issue by the Board of Directors on 24th September 2025

Add Signature

Suzanne Duncan, Chair  
24/09/2025

Add Signature

Mark Osborne, Audit and Risk Committee Chair  
24/09/2025

These financial statements should be read in conjunction with the notes to the financial statements.

# STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 \$	2024 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		1,462,770	2,016,334
Receivables	9	272,070	448,580
<b>Total current assets</b>		<b>1,734,840</b>	<b>2,464,914</b>
<b>Non-current</b>			
Property, plant and equipment		218,030	242,845
<b>Total non-current assets</b>	10	<b>218,030</b>	<b>242,845</b>
<b>TOTAL ASSETS</b>		<b>1,952,870</b>	<b>2,707,759</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Payables	11	502,265	495,090
Employee entitlements	12	128,515	96,929
Deferred revenue		1,110,865	1,916,407
<b>Total current liabilities</b>		<b>1,741,645</b>	<b>2,508,426</b>
<b>TOTAL LIABILITIES</b>		<b>1,741,645</b>	<b>2,508,426</b>
<b>NET ASSETS</b>		<b>211,225</b>	<b>199,333</b>
<b>EQUITY</b>			
Share capital		140	140
Accumulated funds		211,085	199,193
<b>TOTAL EQUITY</b>		<b>211,225</b>	<b>199,333</b>

These financial statements should be read in conjunction with the notes to the financial statements.



# STATEMENT OF CHANGES IN NET ASSETS

For the year ended 30 June 2025

	Share Capital	Accumulated Funds	Total Equity
Balance 1 July 2024	140	199,193	199,333
Shares issued	-	-	-
Surplus/(deficit) for the year	-	11,892	11,892
<b>Balance 30 June 2025</b>	<b>140</b>	<b>211,085</b>	<b>211,085</b>
Balance 1 July 2023	140	191,436	191,576
Shares issued	-	-	-
Surplus/(deficit) for the year	-	7,757	7,757
<b>Total comprehensive revenue and expenses</b>	<b>-</b>	<b>7,757</b>	<b>7,757</b>
<b>Balance 30 June 2024</b>	<b>140</b>	<b>199,193</b>	<b>199,333</b>

These financial statements should be read in conjunction with the notes to the financial statements.

# STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	2025 \$	2024 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Cash was provided from/(applied to):</b>		
Joint Regional Economic Development Committee funding	2,245,000	1,972,000
Whangārei District Council operating grants	-	105,000
Receipts from services provided	2,288,512	3,304,835
Receipts from exchange transactions	451,810	402,431
Net movement in GST	(103,583)	310,384
Payments to suppliers	(3,445,620)	(3,429,937)
Payments to employees	(2,028,163)	(2,358,671)
<b>Net cash from/(used in) operating activities</b>	<b>(592,044)</b>	<b>306,041</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Cash was provided from/(applied to):</b>		
Proceeds from sale of plant and equipment	26,739	4,348
Purchase of plant and equipment	(47,775)	(32,319)
<b>Net cash from/(used in) investing activities</b>	<b>(21,036)</b>	<b>(27,971)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Cash was provided from/(applied to):</b>		
Interest received	59,516	102,125
Interest paid on borrowings	-	(18,496)
<b>Net cash from/(used in) financing activities</b>	<b>59,516</b>	<b>83,628</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(553,564)</b>	<b>361,700</b>
Cash and cash equivalents, beginning of the year	2,016,334	1,654,634
<b>Cash and cash equivalents at end of the year</b>	<b>1,462,770</b>	<b>2,016,334</b>

These financial statements should be read in conjunction with the notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. REPORTING ENTITY

These financial statements comprise the financial statements of Northland Inc Limited (the "Company" or "Entity") for the year ended 30 June 2025.

The financial statements were authorised for issue by the Board of Directors on 24th September 2025.

## 2. BASIS OF PREPARATION

### (a) Statement of compliance

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

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large.

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

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

### (b) Basis of measurement

The financial statements have been prepared on a historical costs basis.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

### (c) Presentation currency

The financial statements are presented in New Zealand dollars which is the functional currency of Northland Inc Limited.

All numbers are rounded to the nearest dollar (\$), except when otherwise stated.

### (d) Changes in accounting policies

Disclosure of fees for audit firm services (Amendments to the PBE IPSAS 1) is now required. There have been no other changes to accounting policies during the year.

### (e) Explanations for major variances from budget

Grant funded project revenue was above that planned due to an increase in revenue for specific projects.

Actual expenses were higher than budgeted due to greater spending on specific project. This is in line with the increase in revenue.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies of the entity have been applied consistently to all years presented in these financial statements.

The material accounting policies used in the preparation of these financial statements are summarised below:

### (a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS

**(b) Debtors and other receivables**

Trade debtors and other receivables are measured at their cost less any impairment losses.

**(c) Creditors and other payables**

Trade creditors and other payables are stated at cost.

**(d) Property, plant and equipment**

Items of plant and equipment are initially measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

**Additions and subsequent costs**

Subsequent costs and the cost of replacing part of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

**Disposals**

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

**Depreciation**

Depreciation is recognised as an expense in the reported surplus or deficit and measured on diminishing value (DV) basis on all plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied for each class of plant and equipment:

Vehicles	26 - 30% DV
Office Furniture & Equipment	5 - 67% DV

The residual value, useful life, and depreciation methods of property, plant and equipment is reassessed annually.

**(e) Leased assets**

Leases where the Entity assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

**(f) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments comprise of trade debtors and other receivables, cash and cash equivalents, other financial assets, trade creditors and other payables, borrowings, and other financial liabilities.

**Financial Assets - Initial recognition and measurement**

Financial assets and financial liabilities are recognised initially at amortised cost or fair value through surplus or deficit (FVTSD).

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- It is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The entity's cash and cash equivalents, short term investments, and receivables are classified as financial assets at amortised cost.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with original maturities of three months or less. Short-term investments are those with an original maturity of more than three months. Financial assets are not reclassified subsequent to their initial

FINANCIAL REPORTING

recognition unless the entity changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

**Financial assets - subsequent measurement and gains and losses**

**Financial assets at FVTSD** - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Comprehensive Income.

**Financial assets at amortised cost** - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

**Financial Liabilities - Classification, subsequent measurement and gains and losses**

All the entity's financial liabilities meet the criteria to be classified as measured at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Any interest expense or foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

**Impairment of non-derivative financial instruments**

The entity recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and

when estimating ECLs, the entity considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the entity's historical experience and informed credit assessment and including forward-looking information.

The entity assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

**(g) Employee entitlements**

**Short-term employee benefits**

Employee benefits, previously earned from past services, that the entity expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

**(h) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The entity assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

**Revenue from non-exchange transactions**

A non-exchange transaction is where the entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached, but no requirement to return the



NOTES TO THE FINANCIAL STATEMENTS

asset if not deployed as specified, then revenue is recognised on receipt.

**Condition stipulation** – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

**Restriction stipulation** – funds received are required to be used for a specific purpose, with no requirement to return unused funds.

**Revenue from exchange transactions**

An exchange transaction is where the entity either receives value from another entity and directly gives approximately equal value in exchange, or gives value to another entity and directly receives approximately equal value in exchange.

**Interest income**

Interest income is recognised as it accrues, using the effective interest method.

**(i) Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**(j) Income tax**

As agreed with Inland Revenue from 2014 financial year, operational grants received address only the operating deficit such that deductible expenses equate to taxable income. The result being that taxable income is nil.

**(k) Goods and Services Tax (GST)**

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

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.

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with NZ IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the entity that have a significant effect on the financial statements:

**Deferred Revenue**

One area of estimation is the calculation of deferred revenue at each balance date as this involves an assessment of the amount of work completed for each project in relation to the milestones to be achieved to determine the amount of revenue and associated deferred revenue to record.

**Agency vs Principal Determination**

Determining whether the entity is acting as a principal or agent in applying revenue recognition policies requires management to exercise judgment and consider the economic substance of the arrangement.

**5. CAPITAL MANAGEMENT POLICY**

The entity's capital is its equity, being the net assets represented by retained earnings and other equity reserves. The primary objectives of the entity's capital management policy is to ensure adequate capital reserves are maintained in order to support its activities. The entity manages its capital structure and makes adjustment to it, in light of changes to funding requirements.

NOTES TO THE FINANCIAL STATEMENTS

## 6. REVENUE FROM NON-EXCHANGE TRANSACTIONS

	2025 \$	2025 \$
Joint Regional Economic Development Committee operational grant funding	2,245,000	1,972,000
Whangārei District Council operating grants funding	-	105,000
Grant Funded project income	2,916,204	3,457,557
<b>Total non-exchange revenue</b>	<b>5,161,204</b>	<b>5,534,557</b>

## 7. EXPENSES

The following amounts were expensed in the surplus/(deficit) for the year:

	2025 \$	2024 \$
Audit of the Financial Statements	55,000	51,000
Directors' Fees	113,850	134,550
Motor vehicle expenses	49,692	65,450
Operating lease payments	377,375	360,592
Other direct project expenses	2,251,443	2,238,637
Other indirect expenses	554,335	532,882
Project consultants	-	38,707
Regional promotions	153,343	147,821
<b>Total</b>	<b>3,555,038</b>	<b>3,569,639</b>

## 8. INCOME TAX

	2025 \$	2024 \$
Revenue from exchange transactions	5,613,014	5,936,988
Gain / (loss) on sale of assets	13,480	3,166
<b>Total Revenue</b>	<b>5,626,494</b>	<b>5,940,154</b>

### Permanent differences:

#### Less:

Grants from Local authorities exempt income	(2,245,000)	(2,077,000)
Other revenue from grant funded operations	(2,916,204)	(3,457,557)
<b>Total Permanent differences</b>	<b>(5,161,204)</b>	<b>(5,534,557)</b>

#### Less:

Deductible expenses	(465,290)	(405,597)
<b>Total Taxable Profit</b>	<b>-</b>	<b>-</b>

NOTES TO THE FINANCIAL STATEMENTS

## 9. RECEIVABLES

	2025 \$	2024 \$
Trade debtors (non-exchange)	216,733	397,747
Trade debtors (exchange)	48,485	35,980
Related party receivables	-	6,661
Prepayments	6,852	8,192
<b>Total</b>	<b>272,070</b>	<b>448,580</b>

Receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2024 and 2025, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

## 10. PROPERTY, PLANT AND EQUIPMENT

Movements for each class of plant and equipment are as follows:

2025	Vehicles	Office Furniture and Equipment	Total
<b>Gross carrying amount</b>			
Cost	281,125	385,387	666,512
Additions	34,580	13,195	47,775
Disposal	(41,789)	-	(41,789)
<b>Closing balance</b>	<b>273,916</b>	<b>398,582</b>	<b>672,498</b>
<b>Accumulated depreciation and impairment</b>			
Opening balance	209,330	214,337	423,667
Depreciation for the year	26,206	33,125	59,331
Depreciation written back on disposal	(28,530)	-	(28,530)
<b>Closing balance</b>	<b>207,006</b>	<b>247,462</b>	<b>454,468</b>
<b>Carrying amount 30 June 2025</b>	<b>66,910</b>	<b>151,120</b>	<b>218,030</b>

NOTES TO THE FINANCIAL STATEMENTS

Movements for each class of plant and equipment are as follows:

2024	Vehicles	Office Furniture and Equipment	Total
<b>Gross carrying amount</b>			
Cost	288,950	364,372	653,322
Additions	11,304	21,015	32,319
Disposal	(19,129)	-	(19,129)
<b>Closing balance</b>	<b>281,125</b>	<b>385,387</b>	<b>666,512</b>
<b>Accumulated depreciation and impairment</b>			
Opening balance	196,506	170,465	366,971
Depreciation for the year	30,771	43,872	74,643
Depreciation written back on disposal	(17,947)	-	(17,947)
<b>Closing balance</b>	<b>209,330</b>	<b>214,337</b>	<b>423,667</b>
<b>Carrying amount 30 June 2024</b>	<b>71,795</b>	<b>171,050</b>	<b>242,845</b>

## 11. PAYABLES

	2025 \$	2024 \$
<b>Current</b>		
Trade creditors (non-exchange)	443,765	336,211
Trade creditors (exchange)	785	3,533
Non trade payables and accrued expenses	76,558	70,606
GST payable/(receivable)	(18,843)	84,740
<b>Total payables</b>	<b>502,265</b>	<b>495,090</b>

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

## 12. EMPLOYEE ENTITLEMENTS

	2025 \$	2024 \$
<b>Current</b>		
Provision for Holiday Pay	92,996	92,996
Accrued Salary & Wages	35,518	-
<b>Total payables</b>	<b>128,515</b>	<b>96,929</b>

Short-term employee entitlements represent the entity's obligation to its current and former employees that are expected to be settled within 12 months of balance date. These mainly consist of accrued holiday entitlements at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

### 13. OPERATING LEASES

Operating leases are held for premises used for office space and office equipment.

	2025	2024
	\$	\$
<b>Non-cancellable operating leases are payable as follows:</b>		
Less than one year	339,825	308,380
Between one and five years	684,543	558,000
<b>Total</b>	<b>1,024,368</b>	<b>866,380</b>

### 14. FINANCIAL INSTRUMENTS

#### (a) Carrying value of financial instruments

The carrying amount of all material financial assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability could be settled, between knowledgeable and willing parties in an arm's length transaction.

#### (b) Classification of financial instruments

All financial assets held by the entity that are classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the Company are carried at amortised cost.

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

2025	Financial Assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Financial assets</b>			
Cash and cash equivalents	1,462,770	-	1,462,770
Trade debtors and other receivables	272,070	-	272,070
<b>Total</b>	<b>1,734,840</b>	<b>-</b>	<b>1,734,840</b>
<b>Financial liabilities</b>			
Trade creditors and other payables	-	502,265	502,265
<b>Total</b>	<b>-</b>	<b>502,265</b>	<b>502,265</b>

2024	Financial Assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Financial assets</b>			
Cash and cash equivalents	2,016,334	-	2,016,334
Trade debtors and other receivables	448,580	-	448,580
<b>Total</b>	<b>2,464,914</b>	<b>-</b>	<b>2,464,914</b>
<b>Financial liabilities</b>			
Trade creditors and other payables	-	495,090	495,090
<b>Total</b>	<b>-</b>	<b>495,090</b>	<b>495,090</b>

NOTES TO THE FINANCIAL STATEMENTS

## 15. COMMITMENTS

The entity has no capital commitments at the end of the reporting period.

## 16. EVENTS AFTER THE REPORTING PERIOD

### Shareholding Change

On 4 September 2024, Northland Regional Council, Kaipara District Council, and Far North District Council agreed to transfer 10 shares each (a total of 30) to Whangārei District Council at a price of \$2 per share.

This share transfer will make Northland Regional Council, Kaipara District Council, Far North District Council, and Whangārei District Council equal shareholders in Northland Inc., each owning 30 shares after this transaction.

The share transfer date has occurred before 30 June 2025.

## 17. RELATED PARTY TRANSACTIONS

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the entity.

The entity has a related party relationship with its shareholders Northland Regional Council, Kaipara District Council, Whangārei District Council, Far North District Council, its Directors and other key management personnel.

### Transactions with related parties

The following transactions were carried out with related parties:

#### (a) Key management compensation

Key personnel include the Board of Directors and Senior Management.

	2025 \$	2024 \$
<b>Key management personnel compensation includes the following expenses</b>		
Salaries and other short-term employee benefits	870,938	966,762
Directors Fees	113,850	134,550
<b>Total remuneration</b>	<b>984,788</b>	<b>1,101,312</b>
<b>Number of persons recognised as key management personnel</b>	<b>10</b>	<b>12</b>

NOTES TO THE FINANCIAL STATEMENTS

**(b) Joint Regional Economic Development Committee**

On 1 July 2024, Far North District Council, Whangarei District Council and Kaipara District Council become joint shareholders with Northland Regional Council (referred to collectively as the Joint Regional Economic Development Committee) in Northland Inc Limited.

	2025 \$	2024 \$
Joint Regional Economic Development Committee	2,245,000	1,972,000
<b>Total grant &amp; funding income received</b>	<b>2,245,000</b>	<b>1,972,000</b>
<b>Other services income received</b>		
Northland Regional Council	400,113	368,335
Kaipara District Council	58,846	25,885
Whangarei District Council	2,000	-
Far North District Council	5,657	22,875
<b>Total other services income received</b>	<b>466,615</b>	<b>417,095</b>

As at 30 June 2025, the following related party balances were outstanding:

	2025 \$	2024 \$
<b>Related party receivables</b>		
Northland Regional Council	-	430
Kaipara District Council	-	6,131
Whangarei District Council	-	-
Far North District Council	-	100
<b>Total other services income received</b>	<b>-</b>	<b>6,661</b>







# NorthlandInc

**Growing Northland's Economy**

Kia tupu ai te ōhanga o Te Tai Tokerau

DRAFT

**Phone:** +64 9 438 5110

**Email:** [welcome@northlandnz.com](mailto:welcome@northlandnz.com)

**Address:**

Level One, corner Cameron  
and Walton Streets  
Whangārei 0110

PO Box 1762, Whangārei 0140

[NorthlandNZ.com](https://www.northlandnz.com) | [#NorthlandNZ](https://twitter.com/NorthlandNZ)

**TITLE:** **Regional Deals Light Touch Proposal: DIA Response to Northland's Submission**

**From:** Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

**Authorised by** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22  
**Group Manager/s:** September 2025

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### Whakarāpopototanga / Executive summary

On 14 July 2025, the Chair of the Joint Regional Economic Development Committee (Joint Committee) wrote to Katrina Casey, Executive Director for City and Regional Deals, Department of Internal Affairs seeking feedback on the region's Light-Touch Regional Deal Proposal (Igniting Northland's Potential <https://www.northlandnz.com/northland-inc/what-we-do/regional-infrastructure-and-investment/northland-regional-deal/>) and information about the next phase (**Attachment 1**).

A response from DIA has now been received, comprising a letter from the Executive Director, City and Regional Deals containing some general comments (**Attachment 2**) and the review of Northland proposal by the assessment panel (**Attachment 3**). The response confirms that while Northland submitted a strong proposal, it was decided that regions with existing Urban Growth Partnerships (UGPs) were best placed to deliver a deal in the first phase.

Two of the key feedback messages to consider when developing a proposal for the second phase of the regional deal programme are:

- the need to demonstrate strong working relationships between councils and with central government; and
- provide further refinement of project details, such as additional detail on the funding and financing arrangements, including the contributions from the region.

The purpose of this agenda item is to inform the Joint Committee of the response and to discuss next steps that should be taken, including any key messaging for next triennium's Joint Committee.

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### Ngā mahi tūtohutia / Recommendation

That the report 'Regional Deals Light Touch Proposal: DIA Response to Northland's Submission' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 11 September 2025, be received.


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### Background/Tuhinga

Not relevant.

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### Attachments/Ngā tapirihanga

Attachment 1: Letter to DIA from Chair of Joint Committee sent 14 July 2025 [!\[\]\(f60b7a900783ac3fd531bfd9c111be6d\_img.jpg\)](#) 

Attachment 2: Assessment Panel report on Igniting Northland's Potential [!\[\]\(f1c5da15572e3e09d343161be98f508d\_img.jpg\)](#) 

Attachment 3: Feedback from Regional and Cities Deals team on Igniting Northland's Potential [!\[\]\(235bfe13ebf007ce2eea9e689707fac7\_img.jpg\)](#) 





14 July 2025

Katrina Casey  
Executive Director for City and Regional Deals  
Department of Internal Affairs  
45 Pipitea Street  
Wellington 6011

Sent by email: [Katrina.casey@dia.govt.nz](mailto:Katrina.casey@dia.govt.nz)

Tēnā koe Casey,

#### **CITY AND REGIONAL DEALS – REQUEST FOR FEEDBACK AND NEXT PHASE**

As the Chair of the Joint Regional Economic Development Committee, I would like to extend our sincere thanks to the Department of Internal Affairs for the opportunity to participate in the inaugural round of City and Regional Deals.

While we are naturally disappointed that Northland was not among the three regions selected in this first tranche, we remain proud of the collaborative and future-focussed proposal our region submitted. The process itself has been a valuable exercise in strengthening regional alignment and articulating a shared vision for Northland's economic development.

We would welcome any feedback the Department is able to provide on our proposal – particularly in relation to the assessment criteria and areas where we might strengthen our case in future. We understand that further City and Regional Deals may be announced in subsequent waves, and we are eager to remain engaged and well-positioned for any upcoming opportunities.

We would also appreciate any information you are able to share regarding the anticipated timeline, process, or expectations for the next phase of City and Regional Deals.

Ngā mihi nui for your continued partnership and support. We look forward to working together to unlock Northland's potential and contribute to the Government's broader regional development objectives.

Kind regards

**John Vujcich**  
**Chair of the Joint Regional Economic Development Committee**

CC FNDC Cr Penetaui Kleskovic (Deputy Chair), KDC Mayor Craig Jepson, KDC Deputy Mayor Jonathan Larsen, WDC Mayor Vince Cocurullo, WDC Deputy Mayor Phil Halse, NRC Chair Geoff Crawford and NRC Deputy Chair Tui Shortland



Private Bag 9021, Te Mai, Whangarei 0143

Northland

“Igniting Northland’s Potential”

Kaipara District Council  
Whangārei District Council  
Far North District Council  
Northland Regional Council



Proposal Synopsis

The Northland Regional Deal outlines a partnership with the Government to ignite economic growth by leveraging the region's clear advantages in four key sectors: future-proofing energy, expanding marine manufacturing, enhancing the primary sector, and growing the visitor economy. Infrastructure development underpins this growth strategy, with plans for transmission connections, port capability, and tourism facilities.

The region faces challenges including population growth, climate adaptation, and infrastructure investment while aiming to create a sustainable Māori economy. Through a clear governance partnership, the deal aims to deliver approximately \$977M in GDP growth, 6,022 new jobs, and increased exports by \$877m.

Proposal “Asks” of Central Government

**Immediate priorities:** Special Economic Zones (e.g. Marsden Point and Ngawha Park) | Deliver the Northland Corridor, Marsden Point Rail Link, and electricity through the Energy Bridge | RIF funding for projects | Updated regulatory framework to enable electrification of the economy | Prescribing targets for airline use of sustainable aviation fuel | Lead investment raising for Shipyard and Dry Dock | Northport expansion | Purchase the first boat for inshore fishing | Support to underpin capital raise for key projects | Aquaculture planning and capital | Partnership on delivery for land use and pilots | Expression of support to underpin capital raise for key tourism projects

**Additional funding:** Work with NIFF to fund key infrastructure | Retaining a portion of GST within the region.

**Commit to a solution to address carbon emissions leakage**, ensuring long term domestic manufacturing with the introduction of a Carbon Border Adjustment Mechanism

**Workforce:** Empower Northland to upskill and train people | Incentivise employers and employees to remain in Northland | A targeted and responsive immigration framework to attract talent

**Embed a recognised mechanism to ensure collaboration across central and local government agencies**

**Enabling housing:** Continue to streamline the building consent process and review anti-competitive behaviour in the building and construction supply sector | Develop localized building standards that reflect climate change | Collaboration on long-term solutions to pensioner housing | Identify large-scale housing needs generated by significant infrastructure projects | Agree a social housing pipeline for the region

**Spatial Planning:** Legislate government agencies with relevant infrastructure interest to actively participate in regional planning | Limit the ability to appeal District Plan change agreed between central government and Northland

What the Region Proposes to Bring to a Deal

- A joined-up approach to development Contributions
- Develop a regional approach to procurement and broader outcomes
- Secure private sector investment
- Funding

*Note: The above is an abridged summary using language from within the proposal, and may not reflect views from officials.*

Assessment Overview

Economic Commentary:

Northland has reasonable growth momentum but challenges with productivity and deprivation, and lower water investment. Proposal is aligned with key sectors with growth potential in Northland – energy, marine, primary, tourism – all able to grow and unlock faster than BAU growth (currently 2.2%pa, 10y average). Manufacturing was previously 18% of GDP, now 8% after Marsden Point refinery shut down, so ability to increase activity is clear.

Amber

Project Summary:


Projects	Maturity	Economic	Overall
1. Developing a future energy sector	Preliminary	Amber	Amber
2. Marine Manufacturing Cluster	Preliminary	Green	Green
3. Primary and associated manufacturing	Preliminary	Amber	Amber
4. Visitor economy development	Strategic	Amber	Amber

Assessment Outcomes:

Strategic alignment	Fair
Vision	Strong
The vision for the region is clear, compelling and realistic	Strong
Alignment with at least one priority objective	Fair
Aligned with the "building economic growth" objective	Strong
Aligned with the "delivering connected and resilient infrastructure" objective	Fair
Aligned with the "improving the supply of affordable, quality housing" objective	Weak
Economic growth potential	Strong
The region has strong existing or potential economic growth opportunities	Strong
A deal will unlock and enable this economic growth potential	Strong
Commitment to regional spatial priorities	Fair
The region has a commitment to a regional spatial plan with clear priorities	Fair
The deal leverages and supports delivery of the regional spatial plan	Fair
Effective government partnerships	Fair
Experience of the councils in the region working effectively together	Fair
There is evidence of effective collaboration with central government	Fair
How well these partnerships arrangements could support a regional deal	Fair
Councils are committed to broader government reforms	Fair
Councils are committed to broader government work programmes	Fair
Deliverability	Fair
The region is ready to implement and deliver a deal	Fair
There is capacity and a workable approach to delivering the projects/initiatives	Fair
The region has the capability and a track record of successful infrastructure delivery	Fair
Governance arrangements are appropriate and include wider support	Fair
The region is committed to fiscal prudence	Fair
Project feasibility	Strong
Projects are aligned with the priority objectives and contribute to the deal's vision	Strong
Projects present a positive economic case (cost/benefit)	Strong
Have a realistic funding/financing model	Fair
Have realistic timeframes, acceptable risk profiles and mitigation strategies	Fair

- Proposal has a strong economic development focus with projects well aligned with growth opportunities, and a balance between regulatory relief, funding and other supports. It also reflects self-reliance.
- There appears to be strong willingness to work together for this deal, but some maturing and evidence of this in practice would be beneficial should a deal can be advanced.
- CG "asks" are numerous, and include support for capital raises etc (or first purchase).
- Private sector interest/willingness to invest/support is unclear, and if some projects are reasonable investments for the private sector on their own merits.

Pool B

<div>Northland</div> <div>“Igniting Northland’s Potential”</div>														<div>Kaipara District Council</div> <div>Whangārei District Council</div> <div>Far North District Council</div> <div>Northland Regional Council</div>																	
Project Analysis:																															
The Project:		1Future Energy				2Marine Manufacturing				3Primary Sector				4Visitor Economy				5													
		<div><div>• The region could play a significant role in supporting New Zealand’s energy transition, through lower-carbon future fuels manufacturing, as well as a range of energy security projects such as electricity firming and storage opportunities.</div><div>• Projects include Sustainable Aviation Fuel, Bio-refinery, and the Energy Bridge.</div></div>				<div><div>• Development of a floating dry dock and associated marine maintenance facility. This initiative aims to strengthen the naval resilience and support coastal shipping operations including the inter-islander ferries.</div><div>• Includes Shipyard and Floating Dry Dock, Port Expansion, Inshore Fishing Fleet and Marina Development.</div></div>				<div>Immediate opportunities include:<div><div>• Expansion of land-based aquaculture (Kingfish at Bream Bay)</div><div>• Oyster and Mussel aquaculture (particularly in Te Hiku)</div><div>• Food processing facilities and further development of the Ngawha Innovation and Enterprise</div></div></div>				<div><div>• The region needs additional quality visitor accommodation, enhanced visitor products and experiences a stronger cohesive regional identity.</div><div>• Projects include Better Quality Visitor Accommodation, Connectivity to Auckland, Walking and Cycling Strategy and Great Walks.</div></div>																	
Status:		<div><div>Maturity:</div><div>Cost:</div><div>Time:</div><div>Status:</div></div> <div><div>Preliminary</div><div>~ \$1.3bn</div><div>Varied timelines</div><div>Varied</div></div>				<div><div>Maturity:</div><div>Cost:</div><div>Time:</div><div>Status:</div></div> <div><div>Preliminary</div><div>~ \$1.2bn</div><div>Varied timelines</div><div>IBC completed for dry dock</div></div>				<div><div>Maturity:</div><div>Cost:</div><div>Time:</div><div>Status:</div></div> <div><div>Preliminary</div><div>~ \$155m</div><div>Varied timelines</div><div>Planned initiatives</div></div>				<div><div>Maturity:</div><div>Cost:</div><div>Time:</div><div>Status:</div></div> <div><div>Strategic</div><div>&gt; \$700m</div><div>Varied timelines</div><div>Planned initiative</div></div>																	
Analysis:		Strategic	GREEN	Economic	AMBER	Strategic	GREEN	Economic	GREEN	Strategic	GREEN	Economic	AMBER	Strategic	GREEN	Economic	AMBER														
		Partnerships	AMBER	Financial	GREEN	Partnerships	GREEN	Financial	GREEN	Partnerships	AMBER	Financial	AMBER	Partnerships	AMBER	Financial	AMBER														
		Deliverability	AMBER	Overall:	AMBER	Deliverability	GREEN	Overall:	GREEN	Deliverability	AMBER	Overall:	AMBER	Deliverability	AMBER	Overall:	AMBER														
		<div><div>✓ Financial attributes of component projects identified.</div><div>✓ Partnerships with private sector.</div><div>! Network upgrade required, government support for bio-refinery required.</div></div>				<div><div>✓ Series of projects underpinned by port expansion and dry dock development to drive marine hub.</div><div>✓ Enhances production and export capacity.</div><div>! Substantial funding commitment required from central government.</div></div>				<div><div>✓ Opportunity for private sector investment across a range of initiatives.</div><div>✓ Projects support local business and link with Māori development priorities.</div><div>! Project definition and steps to delivery somewhat unclear</div></div>				<div><div>✓ Range of projects to enhance the region's offering to tourists</div><div>? Projects vary in their feasibility and requirements</div><div>! Funding required from project partners and government.</div></div>																	
		Completeness of information provided: High				Completeness of information provided: High				Completeness of information provided: High				Completeness of information provided: Medium																	
CRD Secretariat Observations:																															
<div><div>• There is a balance between regulatory relief, funding and other supports (i.e. expressions of support to help raise capital). Proposal reflects a regional aspiration to become more self-reliant.</div><div>• Substantial funding commitment required from central government for marine manufacturing projects (including \$300m for dry dock, \$800m for port expansion). 'Future Energy' proposal is dependent on \$200m central government investment in transmission and distribution infrastructure, and an expression of support for the capital raise.</div><div>• Many of the sub-projects are reliant on private sector investment and partnership to realise value and feasibility of certain sub-projects (such as \$700m sea-glider project) not determined.</div><div>• NZTA advise that the Northland RONS would be a key enabler for the deal with decisions on this being taken circa August 2025. All other roading in the deal are funded are not asking for reprioritisation – just that it is delivered.</div></div>														<div><div>• Determine level of support for approvals required for bio-refinery and Energy Bridge.</div><div>• Determine MOT, MBIE and MfE decision points to meet proposal’s funding and other support requirements.</div><div>• Determining the appropriate funding/financing mechanisms may extend negotiation duration.</div><div>• CRD governance could be complex. More work likely needed to consider how CRD governance progresses without obstructing other structures in the region.</div><div>• Sub-projects are interrelated and may be hard to separate, with a general risk of them being an "all or nothing" proposition for each project.</div></div>																	
<div>Key agency involvement to progress: Transpower (P1), MBIE Kānoa, energy, tourism (P2 &amp; 4), NZTA, MOE, MfE, MPI (P2-3); also NZDF, MSD, TPK, IRD.</div>																															
NOT GOVERNMENT POLICY – IN CONFIDENCE																															
P08																										20					



15 September 2025

Northland Region  
via email

Kia ora,

This letter provides feedback for your region on the proposal you submitted in the first phase of the City and Regional Deals programme. This will be useful in updating your proposals for the second phase of the programme.

Thank you for engaging with the City and Regional Deals programme. While your proposal was not selected to progress in Phase 1, we encourage you to continue engaging with the programme in the future. This is just the beginning of the City and Regional Deals programme, and the Government is committed to progressing more Deals in the coming years.

#### Proposal assessment results

In total, we received 18 proposals for the first phase of City and Regional Deals. Of these, three regions were selected to progress into Memoranda of Understanding: Auckland Council, Western Bay of Plenty and Otago Central Lakes. These were signed at the end of June and announced in July. Work is now underway to finalise Deals with these regions over the next few months.

Decisions to select the first regions were based on proposal alignment with the City and Regional Deals Strategic Framework. Attached is a copy of the results of the assessment of your proposal. Proposal assessment was undertaken by a multi-agency panel, which included review by both officials and independent experts.

The agencies represented on the assessment panel included the Department of Internal Affairs, the Ministry of Business, Innovation, and Employment, the Ministry of Social Development, the Ministry for the Environment, the New Zealand Transport Agency, the Ministry of Housing and Urban Development, Kainga Ora and National Infrastructure Funding and Financing.

The assessment panel determined that the existing Urban Growth Partnerships (UGPs) were best placed for delivery of a Deal in the first phase. Given the small number of regions with UGPs, this is unlikely to be as significant a factor in subsequent phases of Deals. It will still be important for regions to demonstrate strong working arrangements as part of any proposals made. Therefore, we encourage you to continue working together and with the Government to ensure there are strong partnership foundations that would serve the region well in progressing a Deal.

We will provide information on the process for the second phase of the programme in due course. In the meantime, we are providing feedback on your previous proposal to support you as you engage in the second phase of the City and Regional Deals programme.

#### Specific Feedback

#### Overall Comment

The Northland proposal was strong. Its economic growth potential, and alignment with the economic growth objective from the Strategic Framework, was considered favourably by the panel. The proposal performed well against the project feasibility criteria but could have strengthened this with further discussion around funding and financing of projects.

The assessment panel found that proposed projects within the proposal required further refinement. In the second phase of the programme the Government will be looking for projects that address achievability and funding and financing plans as well as laying out the timing and sequencing of projects included in a proposal.

The assessment panel considered that the proposal's vision was ambitious and well-targeted. It also determined that the proposal's economic growth potential was significant. A future proposal may benefit from developing stronger linkages of how projects will be jointly supported by the region and central government.

#### Proposal Strengths

The Northland proposal set out well-developed asks of central government, including support for capital raises, alongside a range of funding and financing requests, such as regulatory relief and direct funding. The assessment panel was impressed with the depth of understanding of the needs of the region reflected in the proposal. However, it was also noted that contributions by the region may need further development.

The willingness of the region to work with the Government was clear in this proposal. This provides a strong foundation for the region to consider issues such as the tools available to local government to support projects, and what current and new tools these projects would need from central government to become a reality.

#### Considerations for the Second Phase

The proposal presented a less developed view on funding and financing contributions by Northland. This includes private sector interest in projects. Regional offerings highlighted in future proposals should be clear, specific, and outline how these offerings will support the proposed projects.

Although the proposal demonstrated a strong willingness to work with central government, there was limited evidence of how this could work in practice. A future proposal could benefit from developing a view about how projects will be jointly supported by the region and central government.

More information on the assessment of the Northland proposal is attached.

If you would like to discuss your proposal further, we encourage you to contact your Partnership Director, Vanessa Blakelock ([Vanessa.Blakelock@dia.govt.nz](mailto:Vanessa.Blakelock@dia.govt.nz) , 021 832 417).

Ngā mihi,



Katrina Casey  
Acting Deputy Secretary Local Government  
Executive Director, City and Regional Deals



**TITLE:** Channel Infrastructure: Update on Marsden Point Energy Precinct Concept

**From:** Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

**Authorised by Group Manager/s:** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22 September 2025

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### Whakarāpopototanga / Executive summary

Peter van Cingel, Business Development Manager, Channel Infrastructure (CI) will update the Joint Regional Economic Development Committee (Joint Committee) on the Marsden Point Energy Precinct Concept. This follows an update given to the Joint Committee at its meeting on 29 November 2024.

The Energy Precinct is the company's long-term vision for the site, accommodating a range of energy projects that would boost New Zealand's energy resilience and help support the decarbonisation of New Zealand: <https://channelnz.com/what-we-do/future-growth/>. This latest update will cover among other matters the jet fuel tank developed by Z Energy, the bitumen import terminal being constructed for Higgins, and the biorefinery project with Seadra Energy Inc.

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### Ngā mahi tūtohutia / Recommendation

That the report 'Channel Infrastructure: Update on Marsden Point Energy Precinct Concept' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 22 September 2025, be received.

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### Background/Tuhinga

Not applicable.

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### Attachments/Ngā tapirihanga

Nil

**TITLE:** Northland Inc Limited: Tuputupu Grow Northland - Programme Update

**From:** Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

**Authorised by Group Manager/s:** Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 22 September 2025

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### **Whakarāpopototanga / Executive summary**

The purpose of this agenda item is to provide an opportunity for Northland Inc staff to update the Joint Regional Economic Development Committee (Joint Committee) on the Tuputupu Grow Northland work programme. At its meeting on 25 July 2025, the Joint Committee allocated \$250,000 as Enabling Investment funding from the Investment and Growth Reserve to support the continuation of service delivery of the Tuputupu Grow Northland work programme in 2025/26. Enhancing the primary sector was one of the four key pillars of Igniting Northland's Potential, the region's Light-Touch regional deal proposal.

Among other things, the update will cover the findings of the recent market opportunities studies and the Resilient Pastures programme. Ahead of this update, council staff will provide a brief overview of recent developments in the primary sector in Northland.

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### **Ngā mahi tūtohutia / Recommendation**

That the report 'Northland Inc Limited: Tuputupu Grow Northland - Programme Update' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 11 September 2025, be received.

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### **Background/Tuhinga**

Not applicable.

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### **Attachments/Ngā tapirihanga**

Nil

**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
7.1	Confirmation of Confidential Minutes - 25 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 -.
7.2	Regional Infrastructure Fund (RIF): Update on projects	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied s7(2)(c)(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.