

NORTHLAND REGIONAL COUNCIL Agenda

For an Ordinary Meeting of the Council to be held in the
Council Chambers, 36 Water Street, Whangarei,
on Wednesday, 17 March 2010 commencing at 1 pm

File 105.2

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

Opening Prayer

Apologies

Declaration of Conflicts of Interests

OPEN MEETING

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NORTHLAND REGIONAL COUNCIL COUNCIL MEETING

Minutes of the Ordinary Meeting of the Council held in the
Council Chambers, Northland Regional Council, 36 Water Street, Whangarei
Wednesday, 17 February 2010 commencing at 1.00 pm

File D2.2 (105.2)

Present

Cr M Farnsworth, Chairman
Cr I Walker
Cr J Bain
Cr C Brown
Cr J Carr
Cr L Hill
Cr P Jensen
Cr B Rossiter

In Attendance

Chief Executive Officer
Deputy CEO/Operations Director
Strategy and Planning Director
General Manager - Finance and IT
General Manager - Projects and Information
Community Relations Manager
Monitoring Senior Programme Manager
Consents Senior Programme Manager
Regional Policy Senior Programme Manager
Infrastructure Senior Programme Manager
Communications Senior Programme Manager
Maritime Senior Programme Manager
Iwi Liaison Officer
Policy Specialist
Council Administration Programme Manager

Obituaries

File D2.2

The Chair acknowledged the passing of Mrs Eileen Parore (wife of Tom Parore) and Mrs Judy Brown (former Mayoress of Kaipara District) and paid tribute to the work they had performed in their districts and for Northland over a period of many years.

Opening Prayer

The Council Administration Programme Manager read the opening prayer.

Declaration of Conflict of Interest

File D1.6 (100.1.2)

The Chairman gave members the opportunity to declare an interest on any item of business on the agenda for the meeting. No declarations were made.

Procedural Matter

The Chairman referred to an email from Mr Mike Mansell questioning why item 24 on 'Changes to Trustees - Northland Regional Council Community Trust' was being held in the public excluded part of the meeting. He said he had reviewed the item and ruled that it was his intention to hear the item in open meeting. There were no objections from other Councillors.

Items of New Business

D2.2

Moved (Bain/Rossiter)

That the Council agrees to consider the following items of new business for the reasons shown:

Open Meeting

1. **Chairman's Overview for the New Year**

The agenda gave notice that additional information to Item 5, page 18 would be tabled at the meeting.

2. **Appointment of Hearings Committee**

This report provides additional information to Item 15, page 87.

3. **Receipt and Adoption of Minutes of Regional Transport Committee**

The agenda gave notice that the Minutes of the meeting held on 16 February 2010 would be tabled at the meeting.

Carried

1. Northland Sailor of the Year 2009

File R4.12

Report from Maritime Senior Programme Manager Ian Niblock dated 5 February 2010.

The Chairman welcomed Ray Lodge and his family, and congratulated him on being the recipient of the Northland Sailor of the Year 2009. The Council noted his long list of achievements in sailing over many decades. Mr Lodge thanked the Council for the honour, saying he had never received any trophy like this before.

Moved (Rossiter/Jensen)

That the selection panel recommendation for Ray Lodge to be awarded the Northland Sailor of the Year Trophy for 2009 be confirmed.

Carried

2. Top Energy Group

File T5.2

Top Energy Group Chief Executive Officer Russell Shaw and General Manager – Networks, Keith Gilby attended the Council meeting and made a 'powerpoint' presentation to Councillors and answered questions. He outlined problems with the current network in the Far North area and the proposed upgrade programme over the next 10-15 years.

The Chairman thanked Mr Shaw for his informative presentation and asked that Top Energy provide regular updates to the Regional Council on the progress being made.

3. Social Trends in Northland

File C9.21

Clive Manley, Regional Commissioner, Ministry of Social Development (MSD) attended the Council meeting and made a powerpoint presentation to Councillors and answered questions on key insights on social trends in Northland, drawn from the recently released Social Report 2009. The report detailed comparisons between New Zealand and other OECD countries and between regions and districts within New Zealand.

Mr Manley said areas of particular concern were New Zealand's assault mortality, obesity, suicide and road casualties. In addition, Northland was shown to be one of the two worst regions for smoking rates. Mr Manley stated that MSD were available to provide such information to the Regional Council as required in the future.

The Chairman thanked Mr Manley for his presentation and his close ongoing relationship with the Council.

4. Confirmation of Minutes of Ordinary Council Meeting held on 9 December 2009

File D2.2 (105.2)

Moved (Bain/Brown)

That the minutes of the Ordinary Meeting of the Council, held on 9 December 2009 be confirmed.

Carried

5. Chairman's Report

File D2.2.2 (105.4)

Report from Chairman Mark Farnsworth dated 2 February 2010.

Moved (Walker/Jensen)

That the Chairman's report dated 2 February 2010 and the presentation from Chairman and Deputy Chairman, be received.

Carried

The Chairman gave a 'Powerpoint' presentation titled 'A Six Month Project Plan' and referred to the Council's priorities in 2002 and commented that in eight years the priorities had changed little. He identified a number of areas requiring special focus such as Council rating, the 'Growth Programme', the Regional Policy Statement, connecting with ratepayers and mangroves.

He requested that the CEO be tasked with:

1. Project managing the growth programme, including presenting to the Council a list of outputs and set timelines
2. Implement Council's policy on connecting with ratepayers
3. Ensuring mangrove management issues are addressed.

The Chairman advised that from the March meeting there would be a ten minute 'Councillors Forum' where one or more Councillor each month would be given the opportunity to present an item of interest to them to the meeting.

6. Chief Executive Officer's Report

File D2.2.1 (105.3)

Report from Chief Executive Officer Ken Paterson dated 5 February 2010.

MATTERS ARISING FROM CEO'S REPORT

Harbour Patrols: Cr Hill complimented Council staff patrolling the Bay of Islands area for stopping a vessel for speeding through the Russell mooring area.

River Management: Cr Carr complimented Council staff on the productive meetings being held with the communities involved in the Kaeo and Awanui River projects.

Moved (Hill/Jensen)

That the Chief Executive Officer's report dated 5 February 2010 be received.

Carried

7. 2010 Triennial Election Update

File D1.2

Report from Chief Executive Officer Ken Paterson dated 29 January 2010.

The meeting acknowledged that there was some disquiet in the community about not having the Council's Electoral Officer resident in Northland for answering enquiries. The CEO advised the meeting that Mr Ofsoske was comfortable with the appointment of Ms Stansfield as the Council's Electoral Officer, as she was the Council's Electoral Officer in the last election.

Moved (Jensen/Hill)

1. That the report by Chief Executive Officer dated 29 January 2010 be received.
2. That Dale Ofsoske be dismissed and Linda Stansfield be appointed as the Northland Regional Council Electoral Officer pursuant to section 12 of the Local Electoral Act 2001.

Carried

8. Draft McKinlay Douglas Report on Local Government Reorganisation Options

File D2.3

Report from General Manager Projects and Information Linda Stansfield dated 29 January 2010.

There was considerable discussion by Councillors on their perceptions that the report was flawed in the way in which it had been scoped, prepared and reviewed.

Moved (Carr/Walker)

1. That the report from the General Manager - Projects and Information Linda Stansfield dated 29 January 2010 on the Draft McKinlay Douglas Report on Local Government Reorganisation Options be received.
2. That the Council decline the offer to make a submission on the draft report and not provide a funding contribution of \$20,000 plus GST.

Carried

9. Agreement in Principle Between the Crown and the Te Hiku Forum

C9.70

Report from Iwi Liaison Officer Rachel Ropiha dated 9 February 2010.

Moved (Rossiter/Hill)

That the Iwi Liaison Officer's report dated 9 February 2010 be received.

Carried

10. Financial Report – 31 January 2010

File C4.12

Report from Financial Accountant Kim Harvey dated 5 February 2010.

Moved (Jensen/Brown)

That the Financial Report – 31 January 2010 from Financial Accountant Kim Harvey dated 5 February 2010, be received.

Carried

11. Investment Schedules and Performance – Financial Reports - 31 December 2009 and 31 January 2010

File C4.6

Report from Financial Systems Administrator Kym Ace dated 20 January and 4 February 2010.

Moved (Rossiter/Jensen)

That the Investment Schedules and Performance Reports to 31 December 2009 and to 31 January 2010 dated 20 January and 4 February 2010 respectively, from the Financial Systems Administrator Kym Ace, be received.

Carried

12. Paid Accounts for Approval

File C4.12

Reports from Payments Officer Rachel Hills dated 31 December 2009 and 31 January 2010.

Moved (Walker/Rossiter)

That the reports from the Payments Officer Rachel Hills dated 31 December 2009 and 31 January 2010, be received and the payments for December 2009 and January 2010 be confirmed.

Carried

13. Lease Transactions

Files L042, L051

Report from General Manager Finance and IT Lisa Aubrey dated 21 January 2010.

Moved (Rossiter/Carr)

That the lease transactions and the use of the Council seal outlined in the report from the General Manager Finance and IT, Lisa Aubrey, dated 21 January 2010, be approved.

Carried

14. Consents Decisions and Applications in Process

File E2.1

Report from Consents Senior Programme Manager Dr Rob Lieffering dated 2 February 2010.

Moved (Hill/Carr)

That the report from the Consents Senior Programme Manager Dr Rob Lieffering dated 2 February 2010 on resource consent decisions and applications in process, be received.

Carried

Discussion: Councillors expressed concern over the high number of sewage spills from the Whangarei District Council's plant and the length of time it had been an issue. It was acknowledged that while each spill had a reason, the cumulative effect of 45 spills in 2009 was inexcusable. The discharge is the subject of a number of consents currently being processed and due to be heard shortly. The CEO agreed to report back to the next meeting on the issue.

10. Appointment of Hearings Committees

File D2.13

Report from the Consents Senior Programme Manager Dr Robert Lieffering dated 5 February 2010 and Supplementary Report dated 15 February 2010.

Moved (Rossiter/Bain)

1. That the Council revoke its previous appointment of Mr Rob Van Voorthuysen and Mr Gary Williams to hear and decide resource consent application **CON20031137501** lodged by the **Whangarei District Council** for a number of resource consents associated with the Hikurangi Swamp Scheme, effective immediately.
2. That Mr Alan Watson, acting as Chairperson, and Dr Jeff Jones be appointed as independent commissioners to hear and decide resource consent application **CON20031137501** lodged by the **Whangarei District Council** for a number of resource consents associated with the Hikurangi Swamp Scheme.
3. That Cr Hill, acting as Chairperson, and Dr John Abbott, as the Minister of Conservation's nominee, be appointed to hear and decide resource consent application **CON20092348704** lodged by the **Whangarei District Council** for rock revetment structures at One Tree Point.
4. That Mr Alan Watson, acting as Chairperson, Mr William Smith, and Mrs Miria Pomare be appointed as independent commissioners to hear and decide Application **CON20071928901** lodged by Kerikeri Falls Investment Limited for a number of resource consents associated with a proposed Country Club complex at Rainbow Falls Road, Kerikeri and application **CON20082022101** lodged by Borneo Investments Limited for a number of consents associated with proposed 54 residential unit development, including clubhouse and recreational building, at Cobham Road, Kerikeri.
5. That Mr Alan Watson be appointed as an independent commissioner to hear and decide resource consent application **CON20080838526** lodged by the **Far North Holdings Limited** for a number of resource consents associated with a proposed extension of the Opua Marina.
6. That Cr Brown, acting as Chairperson, and Cr Jensen be appointed to hear and decide resource consent application **CON20092330601** lodged by **Whangarei District Council** to place a 70 metre (600 m2) rock revetment for erosion protection on the Helena Bay foreshore.

Carried

16. Environmental Monitoring Report for the Period 23 November 2009 – 31 January 2010

File E3.1

Report from Monitoring Senior Programme Manager Riaan Elliot dated 5 February 2010.

Moved (Rossiter/Farnsworth)

1. That the report from the Monitoring Senior Programme Manager Riaan Elliot dated 5 February 2010, be received.
2. That the follow-up action taken by staff resulting from monitoring or environmental/maritime incidents 23 November 2009 to 31 January 2010 be supported.

Carried

17. Warrants of Appointment : Resource Management Act 1991 and Biosecurity Act 1993

File C1.3, C6.2

Report from Deputy CEO/Operations Director Tony Phipps dated 26 January 2010.

Moved (Carr/Jensen)

1. That the report Warrants of Appointment: Resource Management Act 1991 and Biosecurity Act 1993 from the Operations Director Tony Phipps dated 26 January 2010, be received.
2. That authority is delegated under sections 323(2), 327 and 328(3)(4) of the Resource Management Act 1991 and appropriate warrants of appointment be issued to:

Jacqueline Reed	Monitoring Programme Manager - Coastal
Ricky Eyre	Environmental Monitoring Officer – Coastal
Cornelius (Neels) van Tonder	Environmental Monitoring Officer – Coastal
3. That authority is delegated under sections 22, 332 and 333 of the Resource Management Act 1991 and sections 106, 109, 113, 114, 121 and 122 of the Biosecurity Act 1993 and appropriate warrants of appointment be issued to Robert (Bob) Cathcart, Land Management Officer
4. That authority delegated under sections 323(2), 327 and 328(3)(4) of the Resource Management Act 1991 and the associated warrant of appointment be removed from Bruce Howse, Land/Rivers Senior Programme Manager

Carried

18. Submissions on Issues and Options Paper for Regulations under the Resource Management Act

File C9.24

Report from Consents Senior Programme Manager Dr Robert Lieffering dated 5 February 2010.

Moved (Hill/Carr)

That the report by Consents Senior Programme Manager dated 5 February 2010 be received, including the submissions on the 'Issues and Options Paper – Discount Regulation' and 'Issues and Options Paper – Resource Management Act Survey'.

Carried

19. Northland Drought

File R2.2

Report from Civil Defence Emergency Management Senior Programme Manager, Graeme MacDonald dated 4 February 2010.

Moved (Rossiter/Bain)

That the report from the Civil Defence Emergency Management Senior Programme Manager, Graeme MacDonald dated 4 February 2010 be received.

Carried

20. Proposed Variation to Plan Change 1 to the Regional Coastal Plan for Northland – Mooring Management Plans

File E1.20

Report from Policy Specialist, Ben Lee dated 29 January 2010.

Moved (Farnsworth/Jensen))

1. That the report from the Policy Specialist Ben Lee, dated 29 January 2010, on the proposed variation to Plan Change 1 to the Regional Coastal Plan for Northland, be received.
2. That Council approves the initiation of a variation to Plan Change 1 to the Regional Coastal Plan for Northland to remove the need to develop Mooring Management Plans.
3. That a working party made up of Councillors Brown, Jensen and Hill be set up to provide advice for the development of the variation.

Carried

21. Northland Regional Council Delegations Manual – Update for Resolving RMA Appeals

File

Report from Strategy and Planning Director Lawrayne Hughes dated 9 February 2010.

Moved (Rossiter/Bain)

1. That the Council receives the report “Northland Regional Council Delegations Manual – Update for Resolving RMA Appeals” from the Strategy and Planning Director dated 9 February 2010.
2. That the Council resolves to make the delegation detailed in the report and tasks the Strategy and Planning Director to make the consequent amendments to the Delegations Manual.

Carried

22. Receipt and Adoption of Minutes of Regional Transport Committee Meetings held on 15 December 2009 and 16 February 2010

File D2.2

Moved (Bain/Carr)

That the Minutes of the Regional Transport Committee Meetings held on 15 December 2009 and 16 February 2010 be received.

Carried

23. Confirmation of Minutes of Confidential Ordinary Council Meeting held on 9 December 2009

File D2.2 (105.2)

Moved (Bain/Brown)

That the Confidential minutes of the Ordinary Meeting of the Council held on 9 December 2009 be confirmed.

Carried

24. Changes to Trustees – Northland Regional Council Community Trust

File D3.1.2

Report from General Manager – Projects and Information dated 4 February 2010.

Moved (Hill/Bain)

1. That the report from the General Manager, Projects and Information dated 4 February 2010 be received.
2. That in accordance with Clause 12.1 of the NRCCT Trust Deed, Clause 9.1.1 be amended to read: “There shall never be less than four, nor more than eight Trustees”.
3. That Council employee Trustees Ken Paterson and Lawrayne Hughes resign from their terms of office.
4. That in accordance with Rule 4.2 of the First Schedule of the NRCCT Trust Deed, Trustees William Shepherd and Irene Durham be appointed as replacement Trustees for the employee Trustees who resigned, for the remainder of their terms of office, being until 1 February 2011.
5. That the Chairman write to the resigning employee Trustees thanking them for their contribution to the Trust.
6. That the General Manager, Projects and Information ask the Trustees in writing to make an entry in the minute book of the Trust of the Trustees appointed at this meeting in accordance with Rule 5 of the Trust Deed.

Discussion: Cr Brown questioned whether it was necessary to change the Trust Deed to remedy a short term situation that would be reviewed in early 2011. There was concern that Council may be seen to be impacting on the integrity of the Deed if changes were being made on an annual or piecemeal basis.

Amendment moved (Farnsworth/Rossiter)

1. That the report from the General Manager, Projects and Information dated 4 February 2010 be received.
2. That Council employee Trustees Ken Paterson and Lawrayne Hughes resign from their terms of office.
3. That in accordance with Rule 4.2 of the First Schedule of the NRCCT Trust Deed, Trustees William Shepherd and Irene Durham be appointed as replacement Trustees for the employee Trustees who resigned, for the remainder of their terms of office, being until 1 February 2011.
4. That the Chairman write to the resigning employee Trustees thanking them for their contribution to the Trust.
5. That the General Manager, Projects and Information ask the Trustees in writing to make an entry in the minute book of the Trust of the Trustees appointed at this meeting in accordance with Rule 5 of the Trust Deed.

On being put the amendment was carried. The amendment then became the substantive motion and on being put was also carried.

The Chairman ruled that there was nothing in the report on the annual review of Chief Executive Officer that required it to be heard with the public excluded and with the agreement of Councillors brought the item into open meeting.

25. Annual Performance Review of the Chief Executive Officer

File: KEP

Report form the Chairman, Mark Farnsworth dated 15 February 2010.

Moved (Brown/Walker)

That a working party be tasked with undertaking the annual performance review of the CEO.

Carried

Conclusion

The meeting concluded at 3.00pm

Chairman's Report

File D2.2.2

Report from Chairman, Mark Farnsworth, dated 5 March 2010.

INTRODUCTION

This year's Waitangi celebrations were blessed with fine weather and those attending the various functions were appreciative of the low key, yet elegant approach adopted by both the Governor-General and the Prime Minister.

Two events, plaque presentations on board Pacific Jewel and Seabourn Odyssey to mark their inaugural visits to the Bay of Islands, provided a welcome change of focus.

MEETINGS/EVENTS ATTENDED

During the period I have attended the following meetings/events/functions:

- Meetings attended with the Council's CEO, Ken Paterson:
 - Northland Mayoral Forum at Far North District Council.
 - David Edmunds, CEO, Far North District Council, and Far North Holdings – Moorings management.
 - Whangarei District Council, Mayor Stan Semenov and CEO, Mark Simpson – Visit to Northland Events Centre.
 - Paul McCreedy, Timber Management Solutions – Forestry and processing in Northland.
 - Tour of Northland Events Centre with a small group of Events Centre critics.
 - Northland Rugby Union Board meeting.
- Waitangi Celebrations:
 - Cocktail reception onboard HMNZS Canterbury.
 - Official opening of the new Waitangi National Trust reception facilities.
 - Governor-General's Bledisloe Reception.
 - Royal NZ Navy Beat and Retreat and Sunset Ceremony.
- Local Government New Zealand
 - National Council Climate Change Sub-committee.
- Michelle and I attended the following functions during the month:
 - IC Motor Group's Hyundai Pro Longboard Tour at Sandy Bay.
 - Plaque presentations on board Pacific Jewel and Seabourn Odyssey.
- John Turner, Wellsford Action Group – Auckland Super City.
- Cr Bill Rossiter and I met with the Northland Chamber of Commerce regarding the Lower Hatea River crossing.
- Martin Pinckard and Gina Sweetman, Ministry for the Environment – RMA commissioner training and accreditation.
- Pouto 2F Trust
 - Two meetings on the Pouto windfarm development.
 - Pouto Topu A Trust/Pouto 2F Trust/Te Uri o Hau Incorporation Shareholders Meeting on Meridan Energy Proposal for a windfarm.

- Bill Guest – Kaipara update.
- Retirement function for Terry Barnett, CEO, NorthTec.
- Des Subritzky – Shipping in the Kaipara Harbour.
- Mike Kake – Local green waste composting project.
- Dinner with Northland Port Corporation and NRC Councillors to discuss NRC's aspirations for the port and NPC's future plans.
- Cr Craig Brown and I attended a public meeting of the Mangawhai Harbour Restoration Society on the upper harbour development, including dredging, mangrove management and beach enhancement.

NETWORKING

- Meetings, as requested, with residents and ratepayers;
- Councillors;
- Media.

CORRESPONDENCE

During the month I sent out the following correspondence:

Date	Addressed To	Subject
05.02.10	Ministry for the Environment	Submission on Issues and Options Paper – Resource Management Act Survey
05.02.10	Ministry for the Environment	Submission on Issues and Options Paper – Discount Regulations
09.02.10	Eugene Bowen, CEO, LGNZ	Rating of Maori Land Best Practice
09.02.10	Stan Semenoff, Mayor, WDC	Managed Mangrove Removal
09.02.10	Kelly Illerbrun	IC Motor Group Hyundai Pro Longboard Tour
12.02.10	Lawrence Yule, President, LGNZ	Making Good Decisions Programme
12.02.10	Gina Sweetman, Ministry for the Environment	Making Good Decisions Programme
15.02.10	Wayne Brown, Mayor, FNDC	Government's Lack of Rural Focus
15.02.10	Hon John Carter	Kaihu Valley Proposal by Ian Lupton
15.02.10	Hon John Carter	Marine Farm Lease 42
23.02.10	Hon John Carter	Marine Farm Lease 42
23.02.10	Brian Craig	Sound System for Council Chamber
23.02.10	Julian Jackson, Senior Analyst, Ministry for the Environment	Lack of Competence of Registered Hearing Commissioners

Recommendation

That the Chairman's report dated 5 March 2010 be received.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 Long Term Council Community Plan and as such are in accordance with the Council's decision making process and sections 76 to 82 of the Local Government Act 2002.

Councillor Forum

File D2.2

Report from Cr Joe Carr dated 8 March 2010.

ISSUE

Securing adequate affordable electricity for general use and securing adequate fuel/energy for transport and industrial purposes.

PROBLEM

Electricity - Currently Northland's electricity demand is about 185 MW (mega watt).

Northland generates a mere 15% of this demand (ie 28 MW).

Northland is at the end of the national electricity grid and is the most vulnerable NZ region in terms of both security of supply and cost.

World-wide there is a reliance on petrol and diesel fuel for transportation, agriculture and industries energy supply. Security of supply of affordable fuel is a global issue, which I believe is temporarily masked by the international economic downturn. Both China and India are developing rapidly and have huge appetites for increased fossil fuels. World demand for a reducing resource of easy win oil, and later coal will, as the international economy improves, introduce the world to peak oil cost and supply issues probably within several years.

New Zealanders pay landed world prices for oil products in spite of having significant oil and gas deposits. Our community is at risk. The effects are likely to be quite disruptive, and require high level measures to mitigate.

Alternatives include demand management, and the use of alternative fuels. The most likely alternative liquid fuel for light vehicles is methanol (CH₃OH). Production of methanol from non fossil fuel sources requires electricity for the hydrolysis of water.

SOLUTION

Increased local electricity generation from sustainable/renewable resources such as geothermal, tidal and wind is required.

CONCLUSION

1. Northland has significant opportunities to harness renewable geothermal, tidal and wind energy sources for electricity generation.
2. Northland has competent community owned electricity reticulation trusts, Northpower and Top Energy. Top Energy owns geothermal power stations that produce 25 MW. The Ngawha field is likely to be able to sustain the production of 70 MW without adverse environmental effects.
3. Crest Energy's proposal for using tidal energy at Kaipara has the potential to produce 200 MW of electricity. The Crest Energy website identifies the Hokianga Harbour tidal prism as the third largest in NZ.

OPTIONS TO RECTIFY

1. That the Northland Regional Council, as a vital part of the Northland Regional Growth Strategy, quantifies the increased demand for electricity that would be required to enable 50% of the region's light vehicle fleet to operate on electric power/methanol. (Heavy vehicles and machinery will continue to rely on diesel fuel).
2. That the Northland Regional Council identifies locations and potential energy yields of geothermal, tidal and wind electricity generation opportunities and compiles a brief SWAT analysis on each.
3. That the Northland Regional Council ascertains the security risks of the region's existing supply and reticulation infrastructure. It is likely synergies such as a new 110 kva line up the eastern seaboard of the Far North District would secure supply to Kaitaia and provide capacity for a wind farm at Ahipara.
4. That the Northland Regional Council ensures that planning processes both enable and adequately address the environmental effects of micro-hydro electricity production, so that the community can use where appropriate, drop in turbines that are currently available. This source of energy would be suitable for charging storage batteries for purposes such as electric powered vehicles. (Note, in GPS I, Government stated that such vehicles would be exempt of road users charges)
5. That the Regional Transport Strategy for Northland takes these matters into account

Recommendation

1. That the report from Councillor Carr be received.
2. That the 'Options to rectify' as detailed in this report are fully investigated and the outcome reported to a future meeting of the Council.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 Long Term Council Community Plan, and as such are in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

Chief Executive Officer's Report to Council

File D2.2.1 (105.3)

Report from Chief Executive Officer Ken Paterson dated 5 March 2010.

PROJECTS AND INFORMATION

ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEMS (EDRMS) PROJECT UPDATE

Following site visits to observe the preferred software in a live environment, a letter of intent and negotiations have begun with the preferred supplier. It is anticipated that the project will enter into the definitions stage in March with involvement of key users from throughout the organisation.

NORTHLAND EVENTS CENTRE PROJECT

Construction continues with the project remaining on time, within specification and budget. A more detailed update will be provided as a separate item in this agenda.

ANNUAL PLAN 2010-2011

Two workshops were held in February in order for Councillors to fully debate and decide on key projects to be included in this year's Annual Plan. Final budgets have been established and the Draft Plan will be included in the March agenda. It is planned to publicly notify the Draft Plan on 10 April, and public submissions will close on 10 May 2010. A summary document is currently being prepared which will be circulated via mailbox drop throughout the region. Negotiations have occurred that will ensure that the summary is placed in all boxes – regardless of whether they have “no junk mail” signs (or similar). Following hearings in late May, it is expected that the final plan will be adopted at the June meeting of the Council.

2010 TRIENNIAL ELECTIONS

Following the appointment of the Electoral Officer at the February meeting of Council, there will be regular updates at future Council meetings. The election will be held on 9 October 2010.

STAFF MATTERS

LEAVING

The following students finished their temporary employment on 12 February 2010; Stephanie Kane (Monitoring), Marcus Schlesier (Coastal Monitoring), Emma Reed (Land/ Rivers), Brendon Gilbert (Land/Rivers), Brett Thompson (Land/ Rivers), Thomas Parkes (Biosecurity), Winnie Drew (Hydrology) and Kiri Mason (Hydrology).

Caitlin McLean, student finished her employment on 26 February 2010.

APPOINTMENTS

Kathryn Ross, Local Government Senior Programme Manager was appointed to the position of Regional Policy Senior Programme Manager with effect from 1 February 2010.

Katarina Werelind-Moore commenced work experience in Monitoring – Coastal for six months from 2 February 2010 until 2 July 2010 as part of the Teacher Fellowship scheme.

Judy Macdonald, Human Resources Manager returned to work part time from parental leave with effect from 8 February 2010.

Teresa Rudgley was appointed for a further 12 month fixed term with effect from 8 February 2010 until 4 February 2011 in her role as EnviroSchools Facilitator. Additionally Julie Holt and Marty Taylor have been employed in this role on a part time, consultant basis. These positions are all covered by funding.

Dawnn Bowen commenced employment as Records Administrator (EDRMS) on 22 February 2010.

Ashlee Farrow, student has been employed on a further temporary basis as Monitoring Project Assistant until 13 August 2010.

Rebecca Ireland has had her fixed term employment as Biosecurity Officer extended until 1 October 2010.

VACANCIES

Offers of employment have been made for the positions of Water Allocation Officer and the fixed term position of Environmental Monitoring Officer – State of Environment (Parental Leave cover). The successful applicants will start on 8 March 2010 and 15 March 2010 respectively.

The positions of Monitoring Team Administrator and Environmental Monitoring Officer – Bay of Islands were advertised during the month with applications closing on 11 February 2010. The position of Democracy and Legal Services Manager was also advertised with applications closing on 25 February 2010. Interviews with short listed applicants for the position of Monitoring Team Administrator have been held and an offer of employment made. Expected start date is 22 March 2010. Short listing for the position of Environmental Monitoring Officer – Bay of Islands and the position of Democracy and Legal Services Manager is in progress.

The position of Hydrology Groundwater Monitoring Officer is currently being advertised with applications closing on 11 March 2010.

STAFF ESTABLISHMENT

Status	Feb 2010	Feb 2009	Jan 2010
Full Time Permanent	122	116	122
Part Time (FTE)	9.4	9.4	*9.4
Fixed Term (incl Part Time)	6.6	5	6.6
Students/TFG	3	3	12
Vacancies	5	8	5
TOTAL FTE	146	141.4	153.2

* Correction - In January Paula Munn was not included in the figures despite starting on 20 January 2010.

EXTERNAL TRAINING

Training Course	Dates 2010	Venue	Attendees
Environmental Monitoring for Sustainable Land Use	15 February	Wellington	F Meyer
Webstock	18-19 February	Wellington	J Dawson, T Morris
Hydrodynamic Modelling	17-18 February	Auckland	R Eyre
EnviroSchools Facilitation	22-24 February	Hamilton	T Rudgley
Basic Survival	22-23 February	Auckland	P Dodds

HEALTH AND SAFETY

There have not been any serious incidents or injury during February 2010.

ADMINISTRATION

There were no complaints made against the Council during the month of February 2010. One complaint remains outstanding.

COMMUNITY RELATIONS

PUBLIC COMMUNICATIONS

Northland's media was monitored for items of interest to the Council. Media releases were sent to appropriate media concerning the following:

- Cash available for tree planting
- 1 March bus service changes loom
- Good progress in Manchurian wild rice programme
- 76-year old Northland Sailor of the Year 2009
- Hatea River bridge consents sought
- Flavoured sausages on NRC field days' menu
- Tsunami warning for Northland
- Update 2 - tsunami warning for Northland
- Update 3 – tsunami unfolding as expected in Northland
- Update 4 – tsunami warning downgraded but caution advised

The Chairman's '*Northern Matters*' column covered the ongoing drought, fire risk and the formation of the Northland Drought Committee.

The Chairman's '*From Where I sit*' column looked at the early start to electioneering in the run up to the October local government elections and the need for both voters and councillors to be wary of political agendas.

EVENTS

Community Relations and Transport staff attended the NorthTec orientation day on 15 February to promote the CityLink bus service.

The Events Coordinator and Rivers staff attended the Waimamaku Wild West Festival on 27 February. Displays and information focussed on the priority rivers project and civil defence information which was very well received by the public. Over 1,000 people attended the event which was the highest attendance ever.

Staff are preparing for the Northland Agricultural Field days to be held on 4-6 March, the Northland Dairy Industry Awards and also the Auckland International Boat Show – both happening in the next two weeks.

WEBSITE

Highlights: *Tsunami Alert – 28 February, 2010*

The Tsunami update section on the website was viewed 753 times on Sunday 28 February during the Tsunami alert. The top five ways people found our site to get information were:

- directly entered our web address (publicised in press releases)
- clicked on a link from a google search result
- clicked on a link from the www.civildefence.org.nz website
- clicked on a link from www.twitter.com
- clicked on a link from www.wdc.govt.nz

Monthly Usage:

	Feb 2010	Jan 2010	Dec 2009	Nov 2009	Oct 2009
Visits ¹	14,618	13, 136	9,910	10,963	11,791
Page views ²	50,530	44,469	31,045	34,326	35,329

1. **Visits** represent the number of individual sessions initiated by all the visitors to your site.
2. **Page views** shows the total number pages viewed on our website

Most popular pages in February 2010:

- Job vacancies
- CityLink Bus Service
- River and Rainfall Data
- Tsunami update – 28 February, 2010
- Contact us

EDUCATION

Two Northland senior secondary school students have been selected to represent the North at the Ministry for the Environment's National Sir Peter Blake Youth Environment Forum in Wellington. It will be held in the second week of term one holidays ie 12-15 April. Students have been selected from Kamo High School and Whangarei Boys' High School. A teacher chaperone from Kamo High School has also been selected to accompany Northland students to the event.

ENVIROSCHOOLS

The new Northland EnviroSchools facilitation team began work in February. The team comprises Julie Holt and Teresa Rudgley as Primary and Intermediate School Facilitators, Marty Taylor as Secondary School Facilitator and Susan Karels as Regional Co-ordinator. The three facilitator positions are funded by the EnviroSchools Foundation, with a contribution from the Department of Conservation.

Facilitators worked with teachers and students of 12 Northland schools relating to the EnviroSchools programme during February. The schools and kura were Ahipara, Hurupaki, Kaitaia College, Kamo Primary, Okaihau College, Oturu, Pouto, Ruakaka, Te Kura Kaupapa Maori o Pukemiro, Te Kura Kaupapa Maori o Te Tonga o Hokianga, Whananaki and Whangaruru Schools.

IWI LIAISON

A meeting was held for the Whangarei Harbour Health Improvement Fund to discuss the current funding round. Funding partners, NorthPort and the Whangarei Kaitiaki Group met to discuss two projects identified by the Committee as being highly desirable projects. Over the past five years, the Committee has funded trial projects for the reseeded of shellfish and transplantation of seagrass. Both of these projects have completed extensive trials and the Committee is seeking to implement some of the recommendations that have resulted from the work.

The Iwi Liaison (ILO) and Biodiversity Officers met with Te Waiariki me Ngati Korora to discuss a biodiversity project at Pataua South. The group have successfully applied to the Community Max programme which will see them work with 35 youth on biodiversity projects at Pataua.

An application of interest has been made to NRC's Joint Iwi Monitoring Fund by Te Runanga A Iwi O Ngati Kahu. The Estuary Management Advisor and ILO met with Ngati Kahu to discuss the possibility of a joint monitoring project looking at, both estuarine and fresh water quality.

FINANCE AND INFORMATION TECHNOLOGY

FINANCE

Year to date, Council is showing a surplus before extraordinary items of \$757K against a budgeted deficit of (\$507K). The variance is primarily due to budget phasing and we are expecting expenditure to catch up and over the remaining financial year.

Staff have been concentrating on the preparation of the Draft Annual Plan, scheduled for adoption for public consultation on at this months Council meeting.

Audit New Zealand are undertaking the first interim audit visit during the week of 8 March 2010.

FORESTRY

Forest Harvesting

- Harvesting commenced on 25 January 2010, first logs were trucked from this harvest operation on 2 February.
- Operation has now had 1 full month of production.
- February (provisional) results show 3,372 tonnes were harvested (25% of total harvest tonnes).
- Volume and overall log grade mix are in line with pre-harvest estimates at this stage.
- It is possible that the total volume for the block (as has been identified previously) may be slightly less than estimate due to stand gaps and numerous small unstocked.
- As a result of the export market showing improving prices, the latest NFM estimated net return is now \$570,000, significantly up on their original October estimate.
- Export log demand and prices continue to improve and underlying fundamentals remain positive for the short term. China continues to lead the way with Korea, India and Japan (to a lesser extent) showing more gradual demand increases.
- Reports of increasing NZ housing activity is being seen as positive for the domestic market demand looking forward and there has been some evidence of increased demand (and prices) for log by domestic sawmills.
- Cautious optimism that market demand and prices will continue and even improve slightly.
- In conclusion, harvesting operation on track and expectation that estimated net return to Council will be achieved.
- Council's forest Consultant (Chandler Fraser Keating) is handling the contract administration with NFM on our behalf.

Forest Development Programme

The Forest development programme for the 2009/10 year is not scheduled to start until March 2010 and will include the Second and final prune of the 2002 area (37 ha) and the first prune of the 2004 area (46 ha). Contract documentation has been completed for these programmes of work.

Tree stock order) finalised with PF Olsen's for the supply of containerised tree stocks (radiata pine) to replant the 1977 harvest area in the winter of 2010.

INFORMATION TECHNOLOGY

IRIS

While in the early stages of the IRIS (Integrated Regional Information System) Project, momentum is increasing and the project is currently running on schedule. The first module to be developed is Consents. This statement of work has been agreed by the steering group. Council will be taking an active role throughout the development of this module.

Infrastructure

In August, the purchase of a Storage Area Network (SAN) and back-up solution was approved. Work on the SAN project is nearly complete.

STRATEGY AND PLANNING

RESOURCE MANAGEMENT PLANNING

Regional Policy Statement – 10 Year Review

Following the Councillor workshop in January 2010, we have started to develop the work programme for the new Regional Policy Statement (RPS). The first (staff level) steering group was held this month to discuss the project plan and communications and consultation strategy. Jonathan Gibbard is managing the project. The model for engagement with Maori will be discussed and developed initially with the Iwi Chief Executives, Te Uri o Hau Settlement Trust and Te Roroa.

We will participate in the Dargaville Field Days, raising awareness about the current RPS and the process ahead. We will do the same at Earth Day open day at our office on 25 March 2010. A series of meetings and workshops with key stakeholders are also occurring in March to introduce the process and to give people the opportunity to tell us their key issues and suggestions for resource management.

Plan Change 2 (Animal Effluent Discharges) to the Regional Water and Soil Plan

A consent order to resolve all outstanding points of appeal on Plan Change 2 (Animal Effluent Discharges) was filed with the Environment Court prior to Christmas. The presiding Judge has raised concerns surrounding the subjective nature of one of the proposed amendments to permitted activity rule 16.01.01. The presiding Judge requested all parties to either lodge an amended draft rule to meet this concern, or submissions may be made on the issue.

A telephone conference has been held between all parties to the proceedings to discuss the Judges concerns. The outcome of this discussion being that Federated Farmers will provide alternative wording, to meet the Judges concerns, for consideration by all parties. If alternative wording can not be agreed to then it will be staff recommendation that NRC returns to the Council Decision version of the proposed wording. The only other party to the proceedings, the New Zealand Transport Agency, supports the NRC staff position. A report to Court date is scheduled for the 12 March 2010.

Regional Coastal Plan Change 1 (Mooring and Marinas)

Council approved the initiation of a variation to this plan change to do away with Mooring Management Plans (February 2010 meeting). Consequently, a request has been made to the Minister of Conservation to put on hold their approval of the plan change.

Key stakeholders have been notified of the intent to carry out the variation. A draft variation will be sent to key stakeholders late March 2010. The goal is to have the variation notified by late May 2010.

Regional Coastal Plan Change 2 (Marine 1 Review – Whangarei Harbour) and Regional Coastal Plan Change 3 (Mangrove Management)

The Minister of Conservation approved the two plan changes on 17 February 2010.

The next step is to present the plan changes to Council to make operative. Once operative, the plan changes will become part of the Regional Coastal Plan.

Regional Coastal Plan Change 4 (Aquaculture Management)

A judicial conference was held on 17 February 2010 where the judge asked the parties their views on whether to proceed with the appeals given the pending changes to aquaculture legislation. The consensus view, supported by the Judge, was that resolution of the appeals be put on hold. The Judge has directed that the NRC report back to the Court by 29 October 2010 concerning progress of the new legislation. In the mean time, there was interest from one of the parties to continue considering resolving the Maori specific provisions, as it was felt that they are likely to be unaffected by any changes to the legislation. The Judge has directed the NRC to report back to the Court on the possibility of resolution of the Maori matters by 31 March 2010.

OTHER PLANNING MATTERS

Land Use and Subdivision Applications

During February 2010, 25 resource consent applications were received from the Whangarei, Kaipara and Far North District Councils. There were 20 non-notified applications and 5 notified applications. The NRC provided comment on two applications, and made two formal submissions.

Comments made on non-notified applications were regarding earthworks and stormwater diversion and discharge rules in the Regional Water and Soil Plan for Northland (RWSP) and mitigation measures relating to an 'at risk' aquifer.

The formal submissions made for February 2010 are as follows:

Glenbervie Park Estate Ltd, Whangarei – This was an application to subdivide a site of 29ha into 7 lots. A neutral submission was made supporting the recommendations in the Geotechnical Assessment regarding the proposed management of wastewater. The submission also noted that an 'at risk' aquifer was located on the property.

Totaranui Family Trust, Matarau - This was an application to subdivide a site of approximately 19ha into 6 lots. A submission was made opposing the application due to the lack of information provided on the management of wastewater. It was requested that further information be provided under Section 92 of the Resource Management Act, 1991. The submission also noted that an 'at risk' aquifer was located on the property.

INFRASTRUCTURE

Regional Land Transport Strategy –

Consultation on the Draft 30 Year Regional Transport Strategy ended on the 26 February. We received over 200 submissions, a large proportion of which were over the issue of access around Hokianga harbour.

Hearings will be held at NRC on 23 March and at the Rawene Community Hall on 25 March. Throughout the process of drafting the document we met regularly with our external auditors to ensure legislative compliance with the Land Transport Management Act 2003. We have fully incorporated their latest comments in the submission by NRC to the committee.

Virtual Planning Framework

The development of the options in the business case has taken longer than anticipated. Meetings were held with two companies, Infomaster Ltd and Objective on formulating a technical solution to a Virtual One Plan. Both companies have offered to work with us further to help develop a solution. Information has also been sought and received from the District Councils on the likely cost savings accrued from adopting a virtual plan. The business plan incorporating this new information is being written.

REGIONAL GROWTH PROGRAMME

Work continues with this project although at a slower pace than anticipated, lack of resource being the major factor. Discussions with key stakeholders will start late March.

OPERATIONS

CONSENTS

Consents in Process

During February 2010, a total of 94 Decisions were issued. A copy of these decisions are circulated under separate cover. These decisions comprised:

3	Moorings
6	Coastal Permits
3	Air Discharge Permits
29	Land Discharge Permits
18	Water Discharge Permits
5	Land Use Consents
7	Water Permits
23	Bore Consents
99	Applications were received.

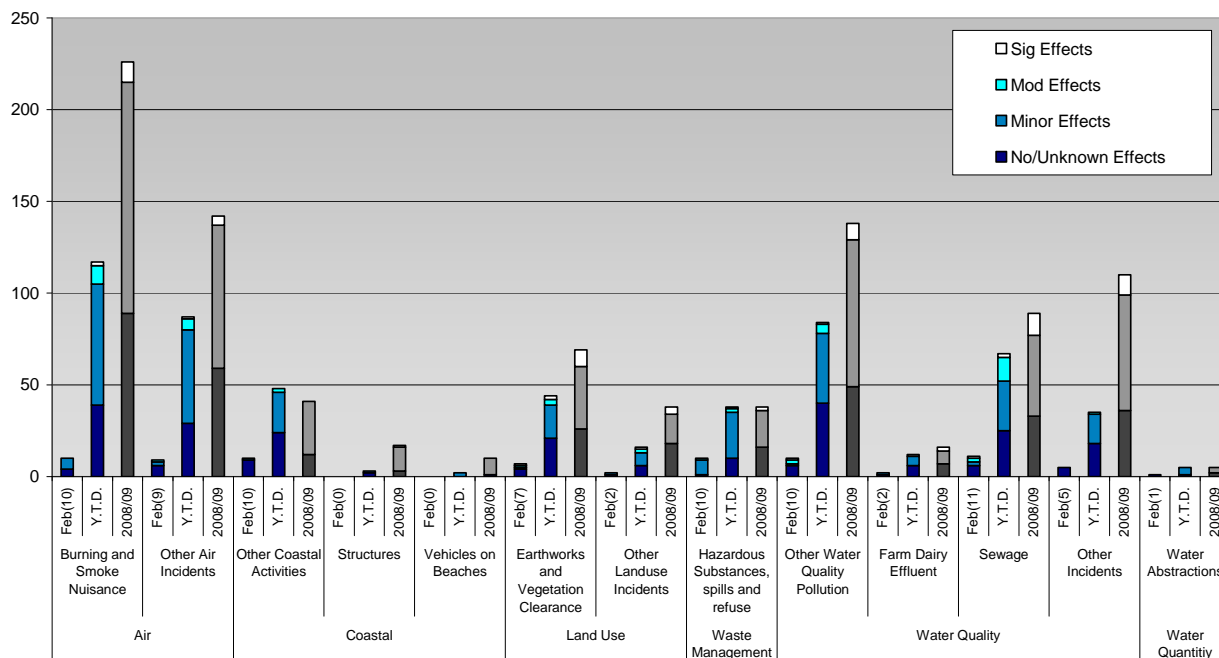
Of the 484 applications in progress at the end of February:

224	were received more than 12 months ago (most awaiting further information);
67	were received between 6 and 12 months ago (most awaiting further information);
193	less than 6 months.

MONITORING

HOTLINE – ENVIRONMENTAL INCIDENTS

Incidents Investigated 1 - 28 February 2010



AIR QUALITY

Twenty-four air pollution related environmental incidents were received during February. Most of the complaints received were for odour nuisance or burning and smoke nuisance. This is the first time in recent years that the number of burning and smoke nuisance related complaints were not the major air incidents reported.

STATE OF THE ENVIRONMENT

Harbour

A meeting with Waiora Hokianga and the Far North District Council was attended this month to discuss results of the monitoring of water quality and shellfish health in the upper and lower reaches of the Hokianga harbour. NRC monitoring staff continue to meet the group to answer community and iwi-based questions about their harbour. This project is funded by NRC with part-funding by FNDC.

Whangarei Harbour hydrodynamic modelling is being undertaken to assess the transportation pathway and risk of a number of possible scenarios of treated and raw sewage discharges from the city’s wastewater treatment plant. These scenarios are testing how the discharges may behave during various tidal states, river flows and discharge rates. NRC, WDC and Northport are working closely together with NIWA to deliver the objectives of this study.

Microbial contamination source tracking is being undertaken in water and shellfish samples collected in Whangarei Harbour. This investigation will assist NRC staff in determining management options of these sources.

Estuarine

A joint Ngati Kahu-NRC project is in progress in the Aurere estuary to determine if the area is safe for shellfish gathering and swimming. Monitoring levels of *E. coli* and metals in shellfish is being planned and water samples will be assessed for bacterial inputs.

A meeting with the Bay of Islands' Bay Care group was attended by monitoring staff to discuss water quality monitoring results.

Estuarine monitoring programme continued this month with sampling in Kaipara Harbour. The aim of this programme is to assess the health of the estuary and monitor changes to estuary health over time.

Sediment Accumulation Rate (SAR) project started this month in the Whangarei Harbour, Kerikeri and Kaipara Harbour.

Habitat Mapping

Mapping of mangrove habitats in Kaipara Harbour was undertaken to assist NIWA with a harbour-wide assessment of sedimentation rates – this is a joint project being funded by NRC, NIWA and ARC.

Mapping seagrass beds in Bay of Islands was undertaken to determine whether seagrass is being lost – this is a joint project between NIWA and NRC.

WATER RESOURCES

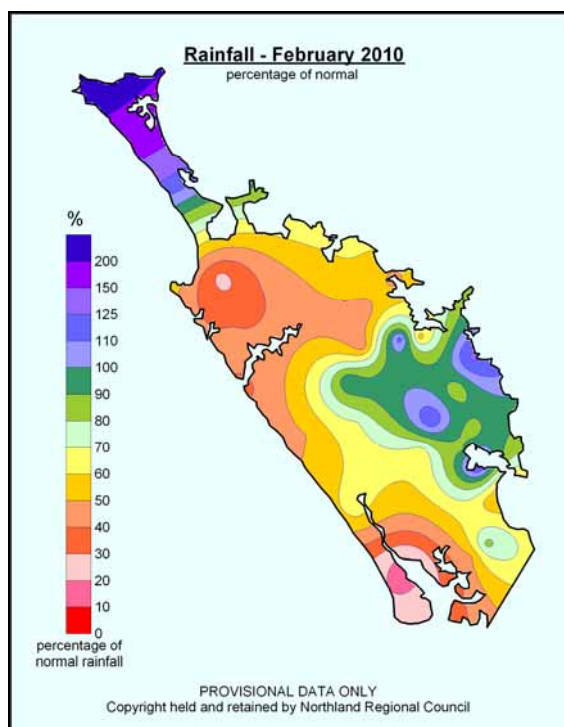
On 1 and 2 February, the eastern and central areas of Northland (Whangarei to Kawakawa) received 55mm to 100mm, giving temporary relief to these drought stricken areas. Unfortunately, areas north of Kawakawa and south of Whangarei including the southern Kaipara received less amounts of rain, varying from 15mm to 45mm. On 19 and 24 February Cape Reinga recorded 69.8mm and 24.6mm respectively.

Severe drought conditions prevailed in the Far North, particularly in the Awanui River Catchment. As a result of the rain event on 1 and 2 February and some isolated heavy rainfall throughout the month, Northland had received average to above average rainfall at Cape Reinga and areas from Whangarei to Kawakawa. Below average rainfall was recorded elsewhere, Kaitaia receiving 27% of the February average.

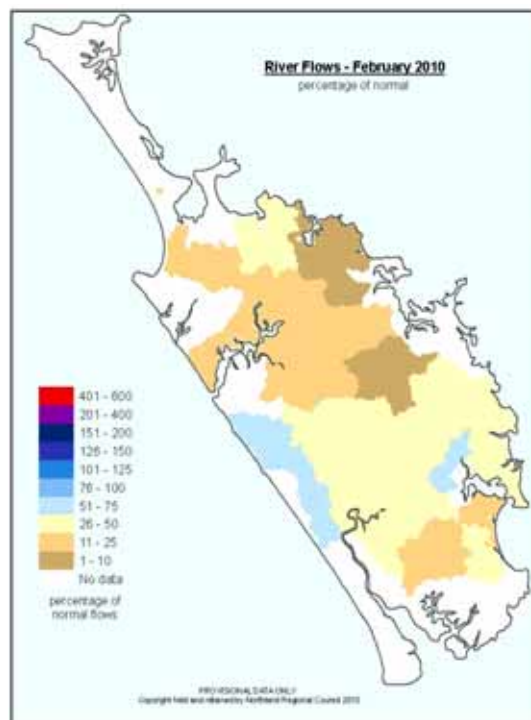
River flows in the Far North and east coast areas were extremely low during February, having receded quickly after rain earlier in the month. The Awanui River at Kaitaia recorded 14% of the expected February flows; the Maungaparerua Stream (a tributary of the Kerikeri River) recorded 9% and the Waipapa River (Puketi Forest) 10%.

Groundwater levels are slightly below normal for this time of year.

Map 1 Rainfall February 2010



Map 2: River flows February 2010



WASTE MANAGEMENT

Contaminated Sites

MFE has scheduled a workshop for 10 March 2010 at NRC related to the proposed National Environmental Standard for Assessing and Managing Contaminants in Soil. Initial comment is that the NRC will remain responsible for data management surrounding contaminated sites and that the district councils will be responsible for administrative functions around the verification of status and levels of contamination when land is sold, subdivided or developed. This process will involve plan changes at district level, and most likely at regional level as well.

Hazardous Activities and Industries List ('Contaminated Sites Database')

Approximately 10 enquiries about the HAIL database have been responded to during February.

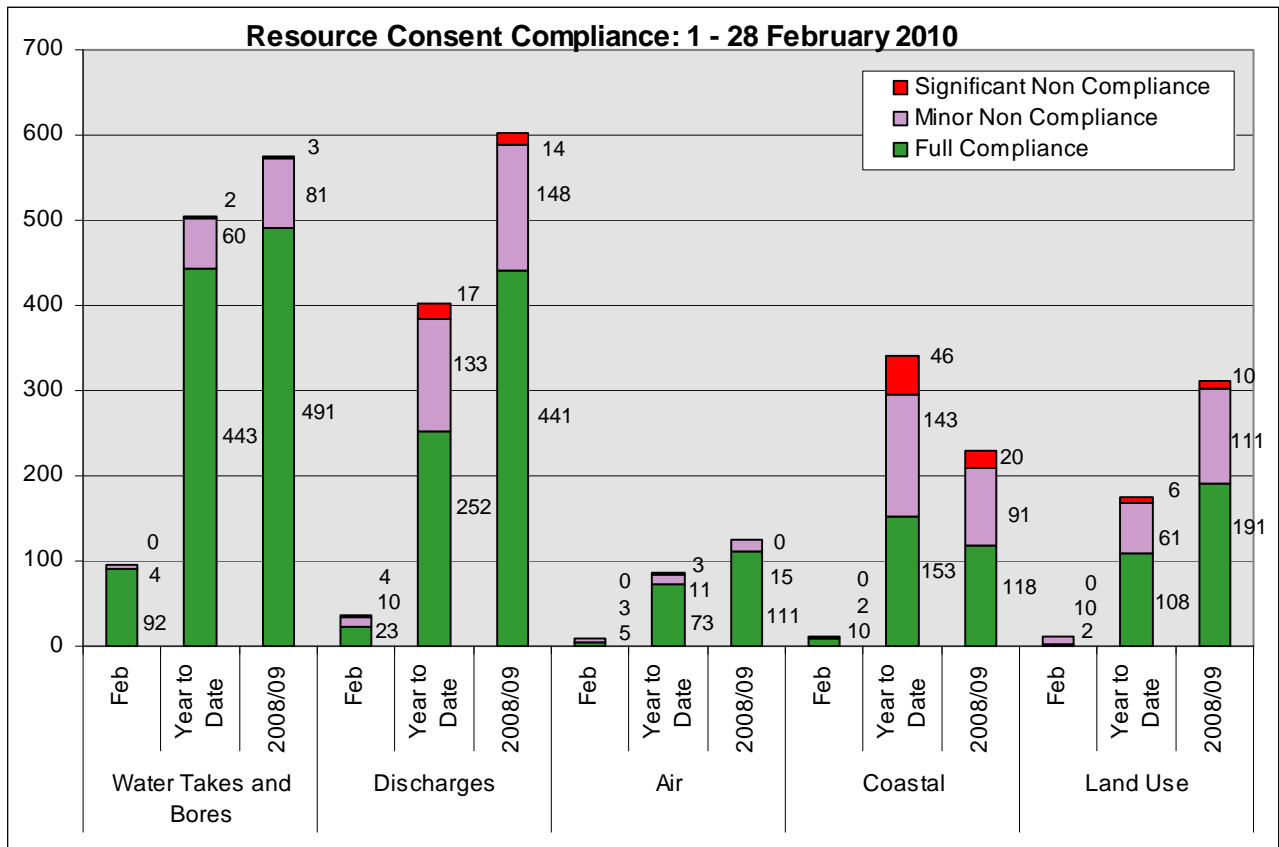
Department of Labour Hazardous Substances Contract

Approximately 30 sites were inspected during February as part of the NSNO contract. Significant issues included an LPG installation at a Mangonui laundry operation, which was certified for 180kg of LPG, while 720kg was present.

Service stations continue to be inspected, with varying degrees of compliance. The level of compliance and awareness was very low at some service stations and the support from the HSNO officers has resulted in substantial positive changes to the operation and certification of these sites.

COMPLIANCE MONITORING

The results of compliance monitoring for February 2010 are provided in graphical format below. Data is also provided on compliance levels year to date and compared with last year's monitoring results.



Water Quality and Discharge Monitoring

Sixty-three percent of discharges monitored during February were fully compliant with consent conditions. There were four significantly non-compliant discharges. Three of these were Far North District Council municipal schemes. The discharges from the Taipa and Kaitaia plants have been stopped and dosing with copper undertaken in an attempt to control the blue green algae. The Mangawhai treatment plant was still in the commissioning phase when a poor/non-compliant result occurred. It has since been compliant.

An NRC officer attended the quarterly operations meeting with Far North District Council during February. The action plan to address non-compliances at Taipa and Kaitaia were discussed.

Farm Dairy Effluent

All routine monitoring has been completed. Follow-up visits to all the significantly non-compliant farms are continuing. A full report for the season has been submitted to the Environmental Management Committee.

Land Use

There were no significant non-compliances for land use monitoring for February. The Environmental Monitoring Officer – Land Use has commenced educational sessions with all the major contractors. The training covers sediment and erosion control requirements.

Water Take Compliance Monitoring

The long term weather forecast was for drought conditions to continue over February and March. River flows were closely monitored throughout February as flow rates in some major river catchments approached or were below their one in five year design drought flow, particularly the Awanui, Kerikeri and Wairua Rivers. Rainfall during early February had moderately elevated flows in rivers south of Kerikeri to Whangarei although this was only for a short period.

As a result of the ongoing drought, extensive monitoring of surface water takes continued. Approximately 80 compliance events were entered to the data base of which three were recorded as minor non-compliant. Over 75 river, stream and spring flow measurements were completed to check continuation flow requirements.

Water restrictions were imposed by the FNDC in Kaitaia, Opononi and Omapere areas. Moderate amounts of rain were recorded in these areas over February but had little impact in the river levels. The Kaitaia water supply from the Awanui River had been at critical levels during late February and early March with the FNDC requesting a Water Shortage Direction from NRC, because FNDC could not operate within the conditions of their consent and have no back-up water supply for Kaitaia when river flows are low.

Council staff continued to work closely with the FNDC, WDC and major water users, particularly in the Kaitaia and Kerikeri areas as river flows recede further. There had been no reported constraints with the water supplies in the Kaipara district.

Water quality information was collected over four days from the Wairoro Stream at Kaikohe. This was in relation to a FNDC consent renewal application to take water for public supply.

ENFORCEMENT

Abatement Notices

Twenty-six abatement notices were issued in February. These related to the following activities:

- Farm dairy effluent discharges (14)
- Occupation of the CMA (7)
- Earthworks with insufficient erosion and sediment controls (2)
- Discharge of contaminants to the CMA (2)
- Discharge to air (1)

Infringement Notices

Twenty-nine infringement notices were served during February. These were for:

- Farm dairy effluent discharges (10)
- Non-compliance with an abatement notice for on-site sewage system (10)
- Occupation of the CMA (7)
- Earthworks with insufficient erosion and sediment controls (1)
- Unconsented land reclamation (1)

Other Enforcement

Prosecution action continues against the seven parties relating to discharge deposition of sediment into water and the Mangawhai Harbour. Two parties have entered guilty pleas, the other five have not yet indicated pleas. The case has been adjourned to 15 March.

Houhora Service Station – an application for an enforcement order has been filed against Kaurilands and Ujdur. The parties have agreed the monitoring and investigative work plan, however some parties are unwilling to be named on the enforcement order. A hearing is set down for May.

Three farm dairy effluent prosecutions are in process. Charges have been laid in two of these. The first court dates for these are set for 2 and 24 March. Charges are being prepared for serving in the third prosecution.

A water shortage direction has been issued for the Awanui river catchment. The direction places restrictions on non-essential water uses, in accordance with priorities set down in the Regional Water and Soil Plan. The NRC is working closely with the FNDC in relation to the Kaitaia water supply.

The prosecution against several parties (Fulton Hogan Ltd, WDC, Northend Contractors Ltd, Cates Bros Ltd, T Perkinson) for dumping at Ngunguru Ford Road has a final sentencing date of 19 April. Discharge without conviction against all defendants will be granted subject to completion of site clean-up and other matters agreed at the restorative justice conference.

A Land Drainage Act order notice served on an Awanui landowner has been appealed. The notice required the removal of an obstruction from a drain. A hearing of the appeal is set down for 18 May in the Kaikohe District Court.

MARITIME

OIL SPILL PREPAREDNESS AND RESPONSE

There were three minor marine oil spill incidents reported during February.

Maritime New Zealand (MNZ) held a brief National Response Team notification exercise where communications and links to its electronic incident management system were tested. The Regional Harbourmaster attended a National On-Scene Commander team meeting in Auckland where exercises, training and national response capability issues were discussed. The scope for a major regional oil spill response exercise to be held at Marsden Point during late April or early May was agreed with MNZ personnel.

NAVIGATION, SAFETY AND MARITIME OPERATIONS

Bay of Islands Pilotage

Visiting cruise ships dominated maritime operations during the month with a total of 11 cruise ships and one superyacht piloted safely into and out of the Bay of Islands. Three of the ships, Pacific Jewel, Seabourn Odyssey (on maiden voyage) and Sage Ruby were making their inaugural call to the Bay of Islands and this was celebrated with an exchange of plaques on board each of the ships.

Poor weather early in the month saw three ships anchored off Russell, with passengers and crew of the two smaller ships grateful for some shelter from the rough sea and swell.

Port and Harbour Safety

Follow-up action arising from numerous safety issues caused by a new jet ski hire operator at Paihia resulted in Far North District Council withdrawing the operator's "hawkers" permit. Maritime personnel have also followed up with MNZ whether such vessel operations should be in Safe Ship Management, but so far the issue has not been resolved.

Maritime team members continued to deal with a number of abandoned and derelict vessels in various locations. One vessel was sold on Trade-me to defray Council's costs, with the balance of the sale proceeds being held in trust for the owner, who despite strenuous efforts, has not been located.

A vessel that sank in Parua Bay is expected to be refloated in early March although its ultimate fate is unknown and its last known owner has so far avoided all attempts by Council to engage in discussions. Detective work has assisted in reducing the abandoned vessels in the Bay of Islands from four to one. Vigorous efforts will be made to locate the owner of the remaining vessel prior to its fate being determined.

Advice was provided and vessel resource recommendations made for the launching of a newly built tug at Shipco. A local navigation warning was put in place for the duration of the launching operation at Port Whangarei.

Maritime Incidents

Maritime personnel dealt with 24 reported maritime incidents during February. These were largely typical of those responded to by maritime staff. A number related to navigation light failures, damaged beacon structures and mooring failures, all of which kept the maritime team very busy.

A repeat total loss of electrical power on board an outward bound cement carrier passing Marsden Point was once again handled safely using on-board emergency procedures. The Regional Harbourmaster subsequently imposed conditions on the ship's operation and all Whangarei Harbour transits will be under tug escort until the on-board problem is satisfactorily rectified.

A 40 foot yacht broke off its moorings during high winds and went aground at Tapeka Point. The yacht was salvaged by a group of local commercial operators and the circumstances leading to the mooring failure will be investigated.

Aids to Navigation

Replacement lights were installed to remedy failures of Mangatete Beacon and Rat Island light at Rangaunu and Ngunguru No.2 beacon. New batteries were installed in Tutukaka No.2 beacon light.

Topmarks at Ngunguru No.1 beacon and Taurikura Isolated Danger marker were destroyed during bad weather. Local navigation warnings have been issued until new markers can be fabricated and installed.

Whale Rock buoy in the Bay of Islands disappeared and is most likely well out to sea given the predominantly westerly weather pattern experienced this summer. A replacement buoy has been ordered and a local navigation warning was issued.

Preparation for overall maintenance and an upgrade of some aids to navigation at Rangaunu progressed well during the month with all blocks and buoys and round tackle prepared. New navigation lights have been purchased.

New topmarks were fabricated to replace the one destroyed and to upgrade the other three markers at Ngunguru. A new buoy was prepared for deployment at Houhora. Fraser Rock light batteries were serviced.

TRANSPORT OPERATIONS**Total Mobility – January 2010**

Monthly Actual Expend	Monthly Budget Expend	Variance	Year/Date Actual Expend	Year/Date Budgeted Expend	Variance
\$10,480	\$17,168	\$-6,688	\$115,833	\$120,176	\$-4,343

	Taxi Trips	Bus Trips	Total Clients
January 2010	1192	187	1187

As a result of the New Zealand Transport Agency audit conducted in November 2009, the NRC have been advised that it must, with immediate effect, cease the practise of allowing Total Mobility voucher holders to travel free of charge on the CityLink service between 9.00am and 3.00pm. The New Zealand Transport Agency considers this practise to be inconsistent with the tenet of the Total Mobility scheme. A mail-out to all Total Mobility clients and their respective agencies, advising that this practise would cease as of Monday 1 March 2010, was undertaken.

City Link Whangarei – February 2010

Passengers (includes Super Gold Card and Total Mobility clients):

Month Actual	Budget	Variance	January 2009
22,950	22,500	+ 450	21,521

Farebox Revenue (includes Super Gold Card and Total Mobility revenue):

Month Actual	Budget	Variance	January 2009
\$57,896	\$60,157	- \$2,261	\$49,845

Preparations for the implementation of the amended service which commences on 1 March 2010 have continued. Advertising of the changes was undertaken in two local papers and on the local radio station. The NRC website was updated, new timetables were distributed to all outlets around Whangarei, and posters were put up in the buses and at the Rose Street Bus Terminus.

Staff attended an Orientation Day at NorthTec on the 15 February 2010 to promote the service amongst the students and staff. 75 complimentary passes were distributed, with a draw of redeemed tickets planned for mid March with the winner receiving a complimentary 10-trip concession ticket.

It was interesting to note that a number of students “had not really given much thought about using the CityLink service”, with a number also commenting on the length of time needed to travel from Kamo and Tikipunga to NorthTec (two separate routes). The lack of tertiary student discount was also given as a contributing factor to low bus use by students. It was explained that in order to implement any such discount, there needs to be financial contributions from relevant tertiary institutions.

Super Gold Card Scheme

Passengers carried to date since the introduction of the Scheme:

Monthly Actual	Monthly Budget	Variance	Average 2008/2009
4,123	2,778	+ 1,345	3,156

The number of Gold card holders making use of the scheme remains high. This has led to a situation where the present subsidised funding levels cannot be sustained to the end of the 2009/2010 financial year. This matter will be addressed as part of the mandatory mid-year funding review with the New Zealand Transport Agency scheduled for Friday 5 March 2010.

As a result of the rapidly burgeoning financial strain being placed on the scheme nationally, coupled with the present high demand on the limited public passenger transport funds, the Ministry of Transport is undertaking a national review of the scheme with the view of containing the escalating costs. A document containing proposed changes to the scheme will be released for comment in early April 2010.

Road Safety

Fatal crashes for the Northland region as at midnight 1 March 2010:

Local Body Data (includes State Highways)	Total for all of 2009	Year to date 2009	Year to date 2010	Annual Average 2005/2009
Far North	15	1	3	13
Whangarei	16	4	1	12
Kaipara	4	0	0	4
Northland region	35	5	4	29
Rodney	16	1	1	16
Auckland region	75	16	2	70

RoadSafe Northland Forum

Each quarter the four road controlling authorities hold road safety action planning meetings where high level actions from the Regional Road Safety Plan are progressed, together with projects identified through each road controlling authority's own studies such as 'Crash Reduction Studies'. Crash Reduction Studies and analysis of the data helps determine what engineering, education and enforcement interventions are required to address road safety at those sites investigated or identified.

New interventions will be introduced shortly at the Brynderwyns, as a result of rigorous evidenced based studies. A recent fatality on this stretch of road has reinforced the need for change.

The 'Coffee Brake' initiative completes its six month trial at Easter with a decision being made to extend it for a further twelve months until Easter 2011. To date there has been very positive feedback on the success of the scheme from both sponsors and users. The project has helped raise the awareness of the need to take regular breaks when traveling long distances. The vouchers were circulated broadly including to rental car companies, i-Sites, fatigue stops and Police stops. Road maintenance staff have also assisted by handing out vouchers to stationary motorists at road works sites. To date the comments received from motorists, truck drivers and tourists has been extremely encouraging.

Stock Truck Effluent Dump Sites

The Whangarei District Council has indicated that construction on the proposed stock effluent dump site, to be situated in South End Avenue, will commence during the current financial year.

A report will be presented to the Kaipara District Council's March 2010 meeting outlining the use of a private stock effluent disposal site and wash down facility in Dargaville.

The New Zealand Transport Agency have advised that they will table a report at the April 2010 Regional Transport Committee detailing a recently completed scoping and feasibility study on the proposed construction of an effluent disposal site in the Far North.

Truck Education Stop at Uretiti

A combined education stop with refreshments and educational material has been planned for March 2010 at Uretiti Rest Stop (south bound). This will involve the Police Commercial Vehicle Investigative Unit (CVIU), NZTA, National Road Carriers, ACC and NRC personnel. Refreshments will be available and participating agencies will discuss with drivers the new legislation affecting vehicle dimensions, road user charges, transport service license numbers and better fatigue management.

CIVIL DEFENCE EMERGENCY MANAGEMENT (CDEM)

At 7.34 pm on Saturday 27 February a magnitude 8.8 earthquake occurred in Chile. Initial assessments carried out by the Pacific Tsunami Warning Centre indicated that there was no threat of a tsunami to New Zealand, however the earthquake impact was reassessed and a tsunami warning was issued for New Zealand and approximately 50 other countries. The Ministry of Civil Defence issued a national tsunami warning indicating a threat to New Zealand marine areas and to beaches at 11.18 pm.

The Northland Group Emergency Operations Centre (GEOC) was activated to coordinate the region-wide response, provide information and to liaise with local Emergency Operations Centres, Police, Fire, Ambulance, the Regional Harbour Master and the National Crisis Management Centre (NCCMC). The GEOC was activated until 5.00 pm on Sunday and provided public information through media releases and the NRC website, and coordinated response activities through regular teleconferences regionally and nationally. The impact of the tsunami in the Northland region included tidal surges and currents along the entire east coast. Although a formal debrief has yet to be held the consensus has been that communities in Northland were well informed and responded to the information that was provided. Feedback indicates that those communities that have Community Response Plans were able to respond in an effective and efficient manner.

At the Northland CDEM Group meeting held on 2 March the Northland CDEM Group Plan 2010 – 2015 was approved. Seven submissions, including comments from the Ministry of Civil Defence were received as a result of the public consultation. The submissions were in the main very supportive and contained requests for minor alterations. The plan was forwarded to the Minister of Civil Defence, Hon John Carter for comment as required by the legislation. The Minister congratulated the group on the plan.

During November 2009 representatives from the Ministry of CDEM carried out a "Monitoring and Evaluation Project" in Northland and the final report is due to be received in the near future. The full content of the report is as yet unknown however some feedback was received during the interview process and that information has been used to assist in the development of the CDEM plan review process. The outcome of the Monitoring and Evaluation will be reported to the CDEM Group in due course.

At a national level, significant progress has been made on the selection of an Emergency Management Information System. The system is designed to enable the sharing of information across organisations during an emergency event and will facilitate closer coordination and information sharing. The Group Controller and Group Manager will be attending a national briefing on the system in Wellington on 15 March. It is anticipated that licenses for the EMIS will be available to territorial local and group emergency operations centres in due course.

On 12 February the Welfare Advisory Group held a quarterly meeting. The group was updated on the drought situation and a number of the members are actively involved in providing support to the rural sector. A Group Welfare Manager, Ms Claire Nyberg, has been appointed and a work programme for the year has been agreed. The key focus is the appointment of local level welfare managers, plan development at a local level, a review of welfare centres and the provision of professional development opportunities for key welfare staff.

The Northland Lifelines Utility Group met on 2 March. The key focus of the meeting was a tabletop exercise to review the implications of a tsunami on infrastructure in the region (this workshop was planned prior to the Chile tsunami). A set of draft tsunami inundation maps have been overlaid with key assets and priority route maps to assist the exercise.

Staff continue to closely monitor, evaluate and report on the Northland drought situation. Liaison with the three District Councils continues and the support role for the Rural Support Trust is ongoing. On a weekly basis a situation report is being produced by the Northland CDEM Group, which provides a region-wide overview of the situation.

LAND AND RIVERS MANAGEMENT

LAND MANAGEMENT

Environment Fund

In the year to date 116 projects have been approved for funding. Funds remaining to be allocated are \$19,553 on biodiversity projects and \$7,637 for plant and animal pest control projects. The final allocation meeting for the year will be held in March with 10 projects applying for \$51,000 worth of funding. At present most projects are on track to be completed in spite of difficult fencing conditions.

Ballance Agri-Nutrients Ltd Meeting (Ballance)

A meeting initiated by Ballance was held with their key representatives to discuss priority environmental issues, focussing on fertiliser application and use. Topics discussed included:

- Identification of regional issues, including priorities for management;
- NRC engagement with the farming community and application of science;
- Policy/planning direction and opportunities for the use of non regulatory methods on farm; and
- Understanding of self regulatory methods currently being employed by Ballance.

Soil Conservation

Catchment mapping and field checking of Priority Rivers Project catchments was completed in February. Land management officers are confident that the mapping identifies areas with high-potential for soil loss, based on incompatibility between the land use capability class (for 6e class which is steep, erosion prone) and current land use (derived from land cover database). The next stage of the project will involve prioritising the assessed catchments to identify areas where the promotion of soil conservation initiatives may be most effectively applied.

Afforestation Grant Scheme (AGS)

Advertising for the scheme began in mid February with the targeting of Northland newspapers and the launching of the AGS on the Council website. The Rural Living website and Sky Channel 99 have also picked up on the scheme and advertised independently. More than twenty enquiries have been received in the two weeks since the advertisements were placed, mostly relating to land, species eligibility, and minimum area requirements. The deadline for applications for the 2011/12 planting season is 19 March.

Recreational Bathing Water Sites

Langs Beach and Otamure Bay catchments have been surveyed for land management issues that could be contributing to the poor water quality results at these sites. In the Otamure Bay catchment stock have access to water bodies and evidence of pugged pastures and drains indicates a contribution to the poor water quality. This appears unlikely to be the case in the Langs Beach catchment.

Clean Streams Accord and Waitangi Catchment

Over the past year, more dairy farmers appear to be applying for a grant from the Environment Fund. Staff have already received calls from dairy farmers interested in applying for the next round of funding.

Work in the Waitangi Catchment has slowed as a result of the drought. The meeting that was proposed for 25 February has been moved to later in March when the drought has hopefully broken and farmers are more receptive to discussing environmental issues.

Northland Biodiversity Website Project

The tender process for consultant engagement for development of the Northland biodiversity website has commenced and an online survey of potential website users was completed to confirm data requirements.

CoastCare

CoastCare visits were made to Ahipara, Taipa, Tauranga Bay, TeNgare Bay and Ruakaka. The purpose of these visits was to meet with the CoastCare groups to inspect planting and other dune protection works, and plan future restoration and protection measures.

Vehicles on Beaches Education Programme

The Council has been co-ordinating a multi-agency Safe Beach Driving education programme to promote safer and environmentally conscious beach driving practices. This is the fourth consecutive summer that the programme has been running and very positive feedback has been received from agency staff, CoastCare groups, and members of the public.

A Safe Beach Driving Information Day was held at Ahipara on 30 January with DOC, FNDC and Far North Environment Centre staff. Staff also patrolled as far as Waipapakauri ramp. NRC staff attended the Bayllys Beach Bonanza held on Waitangi Day by the Bayllys Beach Society. Information was provided on safe beach driving and CoastCare, and NRC, DOC, and Police vehicles patrolled Ripiro Beach.

CoastCare and Transport Operations staff liaised with the organisers of the Beach and Boat Fishing Competition to promote safe beach driving practices. A flyer detailing authorised vehicle beach access points and vehicle exclusion zones was produced and distributed in conjunction with DOC and WDC. An information display was set up at the competition briefing evening, and safe beach driving, and beach care messages added to the briefing address.

RIVER/HAZARDS MANAGEMENT

Updates on River/Hazards Management are provided in the Environmental Management Committee agenda via the River Schemes, Kaeo Flood Risk Reduction Strategy and Priority Rivers items.

BIOSECURITY

FRESHWATER

Lake Heather

Staff have completed an application to transfer and release grass carp into Lake Heather, north of Kaitaia. The purpose of this introduction is to eradicate the aquatic weeds hornwort and egeria that threaten Lake Heather and other nearby high quality lakes. The permit application has been submitted to the Department of Conservation for processing. The project is supported by staff from DOC's Kaitaia area office, who will be working with the NRC during the project. Advertisements have been placed stating the NRC's intention to transfer grass carp into Lake Heather, as required by the Department of Conservation permit process. Interested parties have until 19 March to provide a submission.

Staff have also initiated a tender process to select a preferred fish supplier, and tenders close on 19 March.

PEST PLANTS

Spartina

The NRC spartina eradication program in the mid and Far North is nearly complete. Large areas of spartina which were sprayed earlier in the year have been inspected by the survey team and follow up control carried out where necessary. A contractor was engaged to undertake the majority of this work using a team to inspect and spray the sites usually with knapsacks. Most sites have had little or no spartina present although 20 new outlier sites have been discovered as a result of survey and treated. It is intended to aeri ally spray using a helicopter four new sites located in the Whangaroa Harbour and carry out an aerial survey of the upper harbour to locate any remaining spartina. The remaining sites are scattered throughout the Bay of Islands and will be inspected and treated by NRC staff. Department of Conservation staff also completed follow-up control in the Parengarenga and Rangaunu Harbours and isolated patches of spartina have been sprayed.

During late January and February Dargaville staff conducted spartina survey and sprayed sites in the Kaipara Harbour adjacent to the Otamatea River, Tinopai, Paparoa, and Batley. Although finding new populations of spartina is now rare summer survey for spartina will continue for the next three years to identify any surviving infestations and local communities are encouraged to report any new sightings.

Bathurst Bur

Bathurst bur inspections are underway with one new site located at Wainui village in the mid north and an education program is to be instigated to increase the local awareness to this weed, its potential and control requirements. Drought conditions are favouring the spread of Bathhurst bur and staff have observed new populations on the west coast and mid north. A review of the known sites and survey to detect new populations is also planned for this year.

Lantana

An onsite visit to a lantana population at Pukenui was carried out with the contractor to estimate further work required and it was decided to leave this property until ground moisture increases promoting seed germination. Also a follow up project for the Ngataki stream, has been postponed until germination commences and exhausts the seed bank, possibly by October.

Contractors have destroyed about 3,000 lantana in the upstream area of the Pukenui stream and staff are now confident that all known sites have been treated around Ngataki and south to Trig Road. Survey to identify any surviving populations of the plant will continue.

COMMUNITY PEST CONTROL AREAS (CPCAs)

CPCA groups at Manganese Point (Whangarei) and Waione (Hokianga) are progressing very well, with animal bait stations filled regularly, and good weed control at both sites by resident landowners. Moth plant has been targeted by landowners at Manganese point and at Waione; residents have been very successful with follow up control of wild ginger.

Letters were sent to all occupiers involved in the Waione management plan, advising them of the completion of NRC initial knockdown, and to ensure them of their ongoing responsibilities. Two recent inspections using a GPS tracking device has given an overall picture of plants and properties requiring treatment, and ongoing liaison with some Waione residents, has resulted in a better understanding of their own responsibilities to undertake maintenance work.

At Waione the majority of the wild ginger control work is to be carried out on FNDC land, due to the spread of rhizomes during the formation of the walkway track. A local contractor will carry out this work for the FNDC, and has also been negotiating with other residents on a private agreement to spray all the remaining plants.

PEST SPECIES

Argentine Ants

Staff are receiving a steady flow of enquiries for control of argentine ants and requests for identification as the hot dry weather is favouring the species. Ant control has successfully been carried out in three CPCAs and it is expected there will be further demand for community based ant control. Trials with new ant baits and sprays are being conducted to try and add more tools to the tool box for control of argentine ants and staff predict their impact will increase over time as populations spread to occupy all available habitat.

Rabbits

Enquiries for rabbit control are typical for this time of the year with the dry season being conducive to a very low mortality rate of young rabbits and a higher number reaching maturity. Though people are keen to do rabbit control now as a response to observing increased numbers, poisoning can have a limited affect on reducing populations as young rabbits are not susceptible. Staff have been advising ratepayers that the most efficient time to control rabbits is during winter when adult populations are low and there are few if any young. In addition, the affect of RCD the rabbit calci virus has an impact on adult rabbit populations during this time.

Recommendation

That the Chief Executive Officer's report dated 5 March 2010 be received.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 LTCCP, and as such are in accordance with the Council's decision making process and sections 76 to 82 of the Local Government Act 2002.

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Councillor Remuneration

File D1.3

Report from Council Administration Programme Manager Dean Alderton dated 10 March 2010.

The Remuneration Authority has reviewed the pool for local government remuneration for the period from 1 July 2010 until the 2010 local body elections. The Remuneration Authority has decided, on the basis of predicted subdued movements in public sector remuneration, to hold both chairs' salaries and the indicative pool at the level initially set last year. The salary pool for this Council for the period from 1 July 2010 until the local body election in 2010 (9 October) is therefore as follows:

Chairman	\$105,250*	(currently \$102,133*) *less deduction for car supplied
Councillors	\$364,416	(currently \$352,947)

Last year (January 2009) the Council voted to hold their salary pool and the Chairman's salary at the previous year's level, namely:

Chairman	\$102,133	(less deduction for car supplied)
Councillors (7)	\$50,421	

This was accepted by the Remuneration Authority.

The Remuneration Authority now requires advice of the Council's recommended allocation of the full amount of the pool (pro-rated for the period from 1 July 2010 until the local body election in 2010) no later than 31 March 2010.

Councillors may wish to note that the amount of the indicative pool for the Council post election will be made available by mid-year and a second determination will be issued for the immediate post election period.

The Council's rules for the recovery of expenses and allowances (attached - Appendix 1) were approved by the Remuneration Authority and re-confirmed in 2009. The Council has not been asked to but it may also wish to reconfirm that Council's rules for the recovery of expenses remain unchanged for this period.

Recommendation

1. That it be recommended to the Remuneration Authority that the net pool for the Northland Regional Council for the 2009/2010 financial year effective from 1 July 2010 until the local body election in 2010, is:

Chairman	\$105,250	(less deduction for car supplied)
Councillors (7)	\$52,059	

2. Councillors are unanimously agreed on this allocation of the determination.
3. That Council's rules for the recovery of expenses remain unchanged and are reconfirmed by the Council.

COMPLIANCE WITH DECISION MAKING PROCESS

The procedure for determination of Councillors' salary is specified in Schedule 7 to the Local Government Act 2002 and the report therefore meets the decision making requirements of sections 76-82 of that Act.

NORTHLAND REGIONAL COUNCIL RULES FOR THE RECOVERY OF EXPENSES

1. Councillors or Committee members may claim reimbursement of travelling and accommodation expenses and cost of meals in attending meetings of the Council and its Committees or meetings of other organisations or conferences at which the Councillor represents the Council.
2. In order to be reimbursed for transport costs incurred in attending meetings with constituents, Councillors must first obtain the approval of the Chairman or the appropriate Committee Chairman and submit a report on the meeting to a subsequent meeting of the Council or Committee.
3. Attendance at Hui a Iwi and pre-hearing site inspections, qualify for payment of travelling and out of pocket expenses.
4. Claimants for payment of mileage allowances are to submit a claim on the form provided by the Council, certifying as to mileage undertaken in attending the meeting. Claims **must** be made monthly.
5. Claimants for reimbursement of actual and reasonable expenses incurred in attending meetings and conferences shall submit and sign a claim on the form provided by the Council and append receipts or other evidence of payment of the sums claimed.
6. Payment for mileage claimed and other expenses shall be paid monthly.
7. Payment of mileage will be paid at the rate determined by the Higher Salaries Commission (Remuneration Authority) from time to time.

Allowance Paid

Payment of a monthly allowance of \$125 including GST is paid to each Councillor to meet the costs in providing a computer, fax, phone and cellphone through which they can receive Council communications.

Northland Regional Council Communications Working Group

File C3.11

Report from the Community Relations Manager Jason Dawson dated 8 March 2010.

At a recent Council workshop, Councillors agreed to consider the establishment of a Communications Working Group.

Recommendation

1. That the report by Community Relations Manager dated 8 March 2010, on the Northland Regional Council Communications Working Group, be received.
2. That Crs _____ , _____ and _____ be confirmed as members of the Communications Working Group.
3. That the Working Group will determine the brief for the group and report back to Council.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009–2019 Long Term Council Community Plan, and as such they are in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

Northland Regional Council Community Trust – Number of Trustees

D3.1.2

Report from the General Manager – Projects and Information Linda Stansfield dated 8 March 2010

At the Council meeting in February, Councillors considered a number of issues relating to Trustees of the Northland Regional Council Community Trust (NRCCT) – which trades under the name “Enterprise Northland”. However, the recommendation to amend the Trust Deed to allow for a minimum of four Trustees remains unresolved.

This situation arose when it was agreed that the two Council employee Trustees resign. Due to the difficult financial times that the Trust Fund has experienced and the expense of undertaking the advertising and selection process required by the Local Government Act 2002, it was proposed that no additional external Trustees be appointed until the next appointment round in February 2011. It is hoped that by this time, the Trust Fund may have recovered some of the losses sustained during the recent world recession.

However, this approach results in a temporary situation where there are only four Trustees rather than the minimum of the five required by the Trust Deed.

At the February Council meeting, Councillors requested that staff consider if there were any other options to address the situation. Apart from undertaking the full advertisement and selection process at this time, the only option is to amend the Trust Deed to allow for a minimum of four Trustees, on the understanding that this is a temporary measure only. Under this approach, the Deed would be amended back to the status quo at the next appointment round in early 2011.

Should the Council resolve not to amend the Trust Deed at this time and undertake the full advertising process, the previous decision to appoint William Shepherd and Irene Durham as replacement Trustees for the employee trustees for the remainder of their terms of office (being until 1 February 2011) will be rescinded.

The matter is now set down for discussion.

Recommendation

1. That the report from the General Manager – Projects and Information dated 8 March 2010 be received.
2. That in accordance with Clause 12.1 of the NRCCT Trust Deed, Clause 9.1.1 be amended to read: “There shall never be less than four, nor more than eight Trustees”.

And

3. That Clause 9.1.1 of the Trust Deed be amended at the next Trustee appointment round in early 2011 to provide for a minimum of five Trustees.

Or

4. That in accordance with the requirements of the Local Government Act 2002 and the Trust Deed, a public process be undertaken to advertise and appoint new Trustees.

and

5. That the previous decision made in accordance with Rule 4.2 of the First Schedule of the NRCCT Trust Deed to appoint William Shepherd and Irene Durham as Trustees until 1 February 2011 be rescinded.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are in accordance with the Trust Deed, and provided for in the Council's Long Term Council Community Plan 2009-2019 and as such as in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

2010 Elections

File D1.2

Report from the Electoral Officer Linda Stansfield dated 8 March 2010

The 2010 triennial Council elections will be held on Saturday, 9 October 2010. Councillors have previously been provided with an election timetable and fact sheet.

As with the last triennial election in 2007, all three District Councils in Northland have contracted out the issuing of voting papers and counting of votes to Independent Election Services Limited of Auckland.

Following my appointment as Electoral Officer at the February meeting of the Council, the appropriate Declarations have been made. The Deputy Electoral Officer is Dale Ofsoske of Independent Election Service Ltd.

In my role as Electoral Officer, I will be responsible for calling for and receiving nominations and receiving and processing candidates profiles, statutory advertising and declaring results.

The Local Electoral Act 2001, and Regulations made there under, requires Local Authorities to make certain decisions as to the conduct of elections. For example, this Council has already resolved that existing wards and representation will be used, and that "first past the post", rather than STV voting will be used.

The Local Electoral Regulations 2001 also provide the opportunity for the Council to choose the order of candidate names appearing on the voting documents from three options – alphabetical, pseudo-random or random order. The differences between these and issues associated with each of them are as follows:

ALPHABETICAL ORDER

Alphabetical order is simply listing candidates alphabetically by surname and is the order traditionally used in local authority and parliamentary elections.

In the past there has been no other option for listing candidate names. The issues for alphabetical order are:

- Voters are easily able to find candidate names for whom they wish to vote.
- Some candidates and voters over the years have suggested that alphabetical order of candidate names may tend to favour those candidates with names in the first part of the alphabet. My experience is that while this does occur, the vast majority of voters exercise their votes with care and deliberation.
- Voting documents can be pre-printed in bulk rather than individually laser printed (as required for random order).

PSEUDO-RANDOM ORDER

Pseudo-random order requires candidate surnames to be randomly selected and appear on all voting documents in that order. The selection is done by a method such as drawing names out of a hat.

The issues for pseudo-random order are:

- Candidate names appear in mixed order on the voting document.
- Possible voter criticism and confusion as specific candidate names are not easily found, particularly where there are a large number of candidates. The candidate profiles sent out with voting papers are required to be printed in alphabetical order.
- Voting documents can be pre-printed in bulk rather than individually laser printed (as required for random order).

RANDOM ORDER

With the random order option, all candidate surnames are randomly selected by computer and the order of surnames is different on every voting paper.

The issues for random order are:

- The candidate names appear in mixed order on the voting document and alphabetical order on the candidate profile booklet.
- Possible voter criticism/confusion as specific candidate names are not easily found, particularly where there are a large number of candidates.
- Voting documents cannot be pre-printed but must be individually laser printed, which is more expensive and less flexible (eg unable to use colour, less crispness in the print etc) than pre-printing the voting documents.
- A higher risk of name omission or duplication on voting papers.
- The selection of random order for a regional council election will impact on the method of printing voting documents chosen by the territorial authorities.
- The cost of producing papers is considerably higher. The Auckland Regional Council Electoral Officer estimated an additional cost of \$60,000 for that Council.

For the last triennial elections in 2007, the Regional Council resolved to adopt the alphabetical names option.

Recommendation

1. That the report on the 2010 Elections from the Electoral Officer dated 8 March 2010, be received.
2. That the Council resolves for the 2010 triennial elections to adopt either:
 - a. The alphabetical order of candidate names; **or**
 - b. The pseudo-random order of candidate names; **or**
 - c. The random order of candidate names

COMPLIANCE WITH DECISION MAKING PROCESS

The decision made under this item is required to be made by the Local Electoral Act 2001 and Regulations made thereunder and as such conforms with Section 76(2) of the Local Government Act 2002.

Office of the Auditor General Enquiry – Northland Events Centre

File T5.5.1

Report from the Chief Executive Officer Ken Paterson dated 8 March 2010.

Councillors may be aware that in December 2009 the Council received a letter from the Office of the Auditor General (OAG) indicating that they had received a request from a member of the public concerning the Northland Events Centre. At that stage, the Office was considering whether the request warranted further investigation and indicated that they would be back in contact with the Council in due course.

On 19 February 2010, the Council received a formal request for the following:

- Any agreements/correspondence between the Northland Regional Council and the Whangarei District Council; and
- Any agreements/correspondence between Northland Regional Council and any other party.

It is assumed that the same request has been made of the Whangarei District Council. A file of all relevant material requested has been forwarded to the OAG on 23 February.

The Regional Council welcomes the investigation as one possible outcome may be that all information previously requested, (but as yet not supplied) from the Whangarei District Council will be provided as an outcome of this investigation.

To date, no feedback has been received from the OAG. Any developments will be reported to future meetings of the Council.

This item is included for Councillor information only – no decision is required.

Update – Northland Events Centre Project

File T5.5.1

Report from Chief Executive Ken Paterson dated 8 March 2010

During the last year, the Regional Council has led the construction of the Northland Events Centre at Okara Park in Whangarei. The project is on target to be completed on time and within budget. Core funding for the events centre consists of \$13M from the Regional Council and \$3M from the Whangarei District Council. An additional central government grant of \$2.5M has been secured to enable the events centre to meet the standards necessary to host Rugby World Cup games and to provide a lasting legacy for the Region.

The Council is on schedule to deliver on its promise to Northlanders to provide a multi events centre that will be operated by an independent Trust and pose no further financial burden on ratepayers either in construction or operation. The facility is expected to be finished in May 2010.

The Regional Council is working jointly with the Whangarei District Council on the formal opening of this premier community facility which will be managed and operated by the District Council. The Regional Council is committed to continue working with the Whangarei District Council to ensure that the facility will be managed by an independent Trust and will be promoted and used in a fashion that all Northlanders can be proud of.

With the completion date being in the very near future, it would appear to be an opportune time to request outstanding information be provided by the Whangarei District Council to ensure commitments made to ratepayers in the Northland Community Plan 2009-2019 are met.

Information previously requested from the District Council (including the date first requested) but not yet received includes:

- All relevant details of an agreement made between the Whangarei District Council (WDC) and the Northland Rugby Union (NRU) regarding the transfer of Events Centre assets to the NRU (14 October 2009);
- Written public assurances that the facility will be run as a multi-event centre, operated and maintained by an independent Trust, with all assets remaining in public ownership (14 December 2009);
- An opportunity for the Regional Council to review the Trust Deed and provide comment to ensure that the Deed supports previous assurances given to the public by the Regional Council (14 December 2009);
- Future NRC involvement in the Trust including:
 - Inviting Regional Council representation on the interview panel for the appointment of Trustees;
 - Consultation with the Regional Council prior to any amendments being made to the Trust Deed in the future;
 - Inviting Regional Council comment on the draft Statement of Intent including Trust performance targets and measures; and
 - Regular performance monitoring reports of Trust activities. (14 December 2009)

WDC has since adopted a Trust Deed and indemnified Trustees from any liability in their actions as Trustee.

While the Chairman and I have had verbal confirmation that the Whangarei District Council will conform with the commitments that the Regional Council has made to the public through the Northland Community Plan 2009-2019, any final hand over should be accompanied by a formal letter confirming the District Council's position and reaffirming our common goals.

The matter is now set down for discussion.

Recommendation

1. That the report from the Chief Executive Officer Ken Paterson dated 8 March 2010 be received.
2. That the Chairman writes to Mayor Semenoff repeating the Regional Council's request for answers to the outstanding questions detailed in this report to ensure that public commitments made in the Northland Community Plan 2009-2019 are adhered to.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's Long Term Council Community Plan 2009-2019 and as such are in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

Charging Policy 2010/2011

File C8.2

Report from General Manager - Finance and IT, Lisa Aubrey dated 2 March 2010.

INTRODUCTION

The Charging Policy is reviewed on an annual basis. This paper details the proposed amendments to the 2010/2011 Charging Policy. The proposed fee amendments will come into effect on 1 July 2010 and will be included in the 2010/2011 Annual Plan for public consultation and will be formally approved in June 2010.

Fees and charges that require formal adoption under Section 150 of the Local Government Act 2002 may be set during either a Long Term Council Community Plan or Annual Plan process.

The full Charging Policy is available in the 2009-2019 Community Plan, however, only a Charging Policy Summary, that includes the principal policy section and the new or changed fees will be included in the draft and adopted Annual Plan.

Following approval and adoption of the draft Annual Plan, the new edition of the Charging Policy will be published on the Council's website as an update to the Charging Policy included in the LTCCP.

CHARGING POLICY SUMMARY

Resource and User Fees

Pursuant to:

- The Biosecurity Act 1993;
- The Building Act 2004;
- The Local Government Act 2002;
- The Local Government Official Information and Meetings Act 1987;
- The Resource Management Act 1991; and
- The Aquaculture Reform (Repeals and Transitional Provisions) Act 2004

1. Introduction

The Resource Management Act 1991 and the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004 authorise the Northland Regional Council to fix resource consent charges relating to the Council's functions and responsibilities under the Act. Charges may be set as specific amounts, as a scale of charges or as formulae. The Council has chosen to use a combination of these approaches. Section 36(1)(c) of the Resource Management Act, provides for the charging of fees to recover costs associated with:

- the **administration** of resource consents;
- the **supervision** of resource consents; and
- **monitoring** – the gathering of information necessary to effectively monitor both the state of the environment and the resource consents that have effect in the region.

Additionally, costs are recoverable under the Building Act 2004 for building consents relating to the coastal marine areas, the bylaw charging provisions of the Local Government Act 2002, and the Council's Navigation Safety Bylaws. Costs may also be

recovered under the authority of the Biosecurity Act 1993, the Local Government Act 2002, and under the Local Government Official Information and Meetings Act 1987.

The Council's Charging Policy defines fees and charges for the following classes:

- (i) The Building Act 2004
- (ii) The Biosecurity Act 1993:
 - Cost recovery schedule for Northland Regional Pest Management Strategy for Nassella Tussock
- (iii) The Local Government Act 2002:
 - Inspections, investigations and/or environmental incidents
 - Management charges for laboratory and miscellaneous services
 - Navigation and safety activities
 - Inspections of dairy farms operating under the permitted activity rules for discharges to land
- (iv) The Local Government Official Information and Meetings Act 1987:
 - Information charges
- (v) The Property Law Act 2007
- (vi) Navigation Water Transport and Maritime Safety Bylaw Charges
- (vii) The Resource Management Act 1991:
 - Application fees for resource consents and certificates of compliance
 - Application fees for preparing or changing a policy statement or plan
 - Resource consent annual management and monitoring charges
 - Additional supervision charges for investigation of potential non-compliances and non-compliance with consent conditions
 - Charges set by regional rules
 - Applications for offsite farms and reviews of deemed coastal permits for marine farms pursuant to the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004

The Council reviews its schedule of charges each year to provide for the recovery of the costs associated with the inspection and mitigation of adverse environmental impacts arising from the agricultural and industrial sectors.

The Council's Revenue and Financing Policy allocates the costs of monitoring various consents and classes of consents that will be recovered from consent holders. The funding targets and criteria set out in the Revenue and Financing Policy have been incorporated into the Charging Policy. The Northland Regional Pest Management Strategies provide a schedule of cost recovery for certain works.

The Resource Management Act **consent classes** include permits to take water, permits to discharge contaminants to air, land or water, land use consents, coastal permits, and building consents in the coastal marine area. The major types of consent classes and criteria for charging purposes are as follows:

Discharges to Water (including):

- major industries
- major effluent discharges
- refuse landfills
- timber treatment plants

Other Water Permits**Discharges to Air****Coastal (including):**

- moorings, jetties and structures
- marinas
- slipways and maintenance facilities
- major coastal activities

Land Use Consents**Environmental Incidents**

Management charges for labour, laboratory services, supply of information and the Council plant and equipment are detailed in Appendix 16. The Council delegates the right to vary these charges to the Department Managers as may be required from time to time (resolved 8 December 2004).

2. General Policies and Principles**2.1 General Principles**

The principles which apply to the charges set out in the Charging Policy document are based on the requirements of Section 36 of the Resource Management Act 1991, Section 77 of the Biosecurity Act 1993, Sections 53 and 243 of the Building Act 2004, Section 13 of the Local Government Official Information and Meetings Act 1987, Section 227(2) of the Property Law Act 2007 and the Local Government Act 2002 – as set out below:

- **Democratic Process**

The Council's role as a local authority is recognised. Thus, the costs associated with the political process are not charged directly to resource consent users.

- **Cost Recovery**

The scale of annual charges is in some cases based on the full costs of the Council's supervision role plus a share of the costs of its state of the environment monitoring role.

Actual and reasonable costs will be recovered from resource users and consent holders where the use of a resource directly occasions costs to the Council. A contribution from the general rate meets a share of the cost where the community benefits from environmental monitoring.

- **Consistency**

Charges will not vary greatly within classes and within the context of the scale of the activity, except where environmental incidents and non-compliance with consent conditions incur additional supervision costs.

- **Equity**

Costs will be recovered on an equitable basis, with charging criteria applied consistently across the region. Classes of users will share the costs attributable to that class.

- **Simplicity**

The system of establishing charges will be kept as simple and as economically efficient as possible.

- **Resource Use**

The charges will reflect preferred resource use practices which as a consequence will require less work to be undertaken by the Council.

2.2 Time Period

The policies, formulae and charges set out in this document apply each year from 1 July to the following 30 June, or until replaced by new charges adopted during the Annual Plan special consultative procedure as prescribed by the Local Government Act 2002.

2.3 Performance

With regard to all application fees and amounts specified in this document, the Council need not perform the action to which the charge relates until the charge has been paid in full [Resource Management Act, Section 36(7)].

2.4 Remission of Charges

The Council may remit any charge referred to in this document, in part or full, on a case-by-case basis, and at its absolute discretion. [Resource Management Act, Section 36(5).]

2.5 Goods and Services Tax

The charges and formulae outlined in this document are exclusive of GST, except where noted otherwise.

2.6 Debtors

All debtors' accounts will be administered in accordance with this policy and outstanding debts will be pursued until recovered. Account offset will be considered on merit in situations where the Council is indebted to the same person.

2.7 Regulations

The Council will apply Crown charges, which may be set from time to time by Order in the Council (Regulations). [Resource Management Act, Section 36(1)(g).]

2.8 General Policies for Charges

The general policies for charges are set out in the Annual Plan, which is adopted following the Special Consultative Procedure prescribed in the Local Government Act 2002. In the case of fees for annual charges and consents applications, the policies are as follows:

- (i) The annual charges shall apply from 1 July to the following 30 June each year, or until amended by the Council.
- (ii) Account offset will be considered on merit in situations where the Council is indebted to the same person.
- (iii) Where compliance monitoring charges are expected to equal or exceed \$1,000 (GST exclusive), the consent holder will generally be invoiced the

actual costs of monitoring during the progress of the work, once costs have exceeded a prescribed sum (refer Section 4.2.5).

- (iv) Where any resource consent for a new activity is approved during the year and will be liable for future annual charges, the actual costs of monitoring activities will be charged to the applicant subject to Clause (vi). Consents for activities in the Coastal Marine Area are also subject to the Navigation Water Transport and Maritime Safety Bylaw Charges.
- (v) A minimum fee of \$75.00 will apply to all significant recoverable charges (except for the Navigation Safety Bylaw fees) other than for new consents granted after 1 March each year when the minimum fee will be waived for the remainder of that financial year.
- (vi) In any case, where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not ongoing, then the associated annual charge will be based on the actual costs of monitoring activities to the date of expiry or surrender, subject to Clause (v) and also administrative/monitoring costs incurred as a result of the expiry/surrender of the consent.
- (vii) Where a resource consent expires during the course of the year but the activity or use continues and requires a replacement consent, then the annual charges will continue to be applied.
- (viii) Where non-compliance with resource consent conditions is encountered, or unprogrammed additional monitoring is necessary, the costs will be recovered, in addition to the set annual fee.
- (ix) Bonafide community organisations that own community structures in the coastal marine area, which are available for unimpeded public use free of charge; or consent holders undertaking activities for the principal purposes of enhancing the natural environment, may apply to the Council to waive the annual charges, and the Council may remit all or part of the user fees, pursuant to Section 36 of the Resource Management Act.
- (x) Upon application and the approval of the Chief Executive Officer, all or part of the Council's user charges for structures in the coastal marine area or activities undertaken for the purposes of protecting or enhancing the natural environment, may be remitted where cases of genuine hardship are proved.

3. Application Fees

3.1 Introduction

This part of the document deals with application charges in respect of two areas:

- applications for the preparation or change of a policy statement or plan;
- applications for resource consents, for the review of resource consent conditions, building consents and project information memoranda.

The Resource Management Act allows the Council to fix charges for the carrying out of its functions in respect of applications.

The fixed initial deposits listed in Appendix One: Resource Consent Applications – Fixed Initial Deposits and Consents Staff Hourly Processing Rates, are minimum charges for resource consent applications and are charges 'fixed' under section 36(1) of the Resource Management Act (they are therefore not subject to objection rights). All consent processing costs which exceed the fixed initial deposit are

considered to be additional charges pursuant to section 36(3) of the Resource Management Act and these may be progressively charged on a monthly basis or invoiced at the end of the consenting process.

PROPOSED AMENDED FEES AND CHARGES

The review of the 2009-2010 Charging Policy has resulted in proposed changes to the following areas: :

- Section 3: Application fees and Appendix One: Resource Consent Applications Fixed Initial Deposits and Consents Staff Hourly Processing Rates;
- Section 6.2: Permitted Activity Dairy Shed Effluent Systems -Fess and Appendix Five: Farm Dairy Effluent Discharges; and
- Section 11: Navigation, Water Transport and Maritime Safety Bylaw Charges 2009

AMENDED FEES AND CHARGES

Each Section of the 2009-2010 Charging Policy is listed below. Where amendments or changes have been made these are listed under each section. Where appropriate, brief narration is provided in *italics* explaining the reason for the proposed amendment.

1. Introduction

2. General Policies and Principles

3. Application Fees

The Council has reviewed the following sections within Application Fees charges:

3.1 Introduction

This part of the document deals with application charges in respect of two areas:

- applications for the preparation or change of a policy statement or plan;
- applications for resource consents, for the review of resource consent conditions, building consents and project information memoranda.

The Resource Management Act allows the Council to fix charges for the carrying out of its functions in respect of applications.

The fixed initial deposits listed in Appendix One: Resource Consent Applications – Fixed Initial Deposits and Consents Staff Hourly Processing Rates, are minimum charges for resource consent applications and are charges ‘fixed’ under section 36(1) of the Resource Management Act (they are therefore not subject to objection rights). All consent processing costs which exceed the fixed initial deposit are considered to be additional charges pursuant to section 36(3) of the Resource Management Act and these may be progressively charged on a monthly basis or invoiced at the end of the consenting process.

Section 3.1: The last paragraph has been included to provide further clarification on the legislative basis upon which Council is applying consent charging.

4. Resource Consent Holder Charges

5. Biosecurity Act 1993

6. Local Government Act Charges

The council has reviewed the following sections within Local Government Act Charges:

6.2 Permitted Activity Dairy Shed Effluent Systems – Fees

These charges are made to recover the costs of inspecting farm dairy effluent systems, wintering barns or pad discharges to determine compliance with the permitted activity rules in the Regional Water and Soil Plan. The inspections are conducted in order that the Council adequately carries out its functions and responsibilities pursuant to Sections 30(1)(f), 35(2)(a) and 332 of the Resource Management Act. The fees are set according to Section 150 of the Local Government Act.

The charges are as follows:

(i) Inspection and monitoring fee: (per hour)	<u>GST Exclusive</u>
Grades 1P, 2P, 3P (fixed fee)	\$150.00
Grades 4P, 5X, C (fixed fee)	\$225.00
(ii) Second and subsequent visits and inspections including travel time, (for non-complying or inadequately treated discharges, grades 4P, 5X and C) *	\$75.00 per hour

Where there is a need for two officers to attend the costs of both officers will be recovered.

Administration costs incurred will be charged in addition to the costs of the site visit/inspections, plus the actual and reasonable cost of any specific water quality testing (see Appendix 16).

Note: For charges for consented farm dairy effluent discharge consents, refer to Appendix 5.

Section 6.2: Charges have been amended to reflect the increased cost associated with carrying out this activity.

7. Charges set by Regional Rules

8. Provision of Information and Technical Advice

9. Fee to consent lessee to transfer a lease and fee to consent lessee to enter into a sublease

10. Standard Charges under the Building Act 2004

11. Navigation, Water Transport and Maritime Safety Bylaw Charges 2010

These bylaws shall be known as the Northland Regional Council **Navigation, Water Transport and Maritime Safety Bylaw Charges 2010:**

The Council has reviewed the following clauses within the Navigation, Water Transport and Maritime Safety Bylaws:

7(c) Shipping – Navigation and Safety Services Fee Per ship visiting the Bay of Islands when the Master is exempt from compulsory pilotage	<u>GST Exclusive</u>
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Up to 3000 GRT	\$1.00/GRT
Per ship visiting the Bay of Islands when the vessel's GRT is more than 100 and less than 500	
From 100 to 500 GRT	\$1.00/GRT

Section 7(c): Pilotage fees for ships visiting the Bay of Islands is to be amended to acknowledge the application of pilotage fees will only apply to ships where the vessel's is more than 100 GRT. The threshold was inadvertently omitted from the bylaw in the prior year.

10. Hatea River Channel Fees

GST Exclusive

User charges to assist with the funding of ongoing navigation safety activities on the Hatea River between Victoria Bridge and Main 4. The activities include the provision of additional aids to navigation and dredging but exclude the Town Basin Marina consented area.

(a) Individual berths in the Town Basin and Riverside Drive Marinas as defined by consent number in Appendix 17, level one charges.	\$80.00
(b) Individual boatsheds and other berths as defined by consent number in Appendix 17, level one charges.	\$80.00
(c) Individual marina berths at Kissing Point as defined by consent number in Appendix 17, level one charges.	\$80.00
(d) All other individual moorings and marina berths in the Whangarei Harbour, including Marsden Cove Marina	\$10.00
(e) Large businesses that derive a direct benefit through improved access to their facility; as defined by consent number in Appendix 17, level two charges.	\$800.00
(f) Small businesses that derive a direct benefit through improved access to their facility; as defined by consent number in Appendix 17, level three charges	\$400.00

12. These bylaw fees shall apply for the period 1 July 2010 to 30 June 2011 and will continue to apply until superseded by a subsequent bylaw charge fixed by resolution and publicly notified or by the review required by Section 158 of the Local Government Act 2002.

Section 10: Hatea River Channel Fees are proposed to be removed. The Hatea Dredging project came in under budget mitigating the need for this charge to be applied in the 2010/2011 financial year. It was originally anticipated this charging will be applied for a three year period, commencing the 2008-2009 financial year.

Appendix 1: Resource Consent Applications – Fixed Initial Deposits and Consents Staff Hourly Processing Rates

Schedule of Fixed Initial Deposits

Description	Applic. Fee (min charge) \$ GST Excl.	\$ GST Incl.
Notified & Limited Notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits	2,400.00	2,700.00
• Moorings	1,200.00	1,350.00
New Non-notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents (excluding Bore Drilling Permits), Water Permits, and Discharge Permits (excluding Farm Dairy Effluent)	640.00	720.00
• Moorings	440.00	495.00
• Farm Dairy Effluent Discharge Permits	400.00	450.00
• Bore Drilling Permits plus per additional bore	222.22 26.67	250.00 30.00
Replacement Non-notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits (excluding Farm Dairy Effluent)	560.00	630.00
• Moorings (includes moorings that have previously had a licence and are seeking to be authorised under the RMA)	360.00	405.00
• Farm Dairy Effluent Discharge Permits	400.00	450.00
Certificate of Compliance	360.00	405.00
Transfer of Consents from the Consent Holder to Another Person (payable by the person requesting the transfer)	44.44	50.00
Transfer existing Water Permit between sites within catchment		
• Notified (including limited notification)	560.00	630.00
• Non-notified	222.22	250.00
S127 Change or Cancellation of Consent Conditions		
• Notified (including limited notification)	840.00	945.00
• Non-notified	360.00	405.00
• Minor Administrative Change	80.00	90.00
S128 Review of consent conditions, and review of deemed coastal permits under S10(4), 20(3) and 21(3) of the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004 (see Note 7)		
• Notified (including limited notification)	840.00	945.00
• Non-Notified	360.00	405.00
Extension of Period until a Consent Lapses	222.22	250.00
Hearing Costs (per hearing day per Committee member) at hourly rates set by the Remuneration Authority* or the actual costs of independent Commissioners. See also Note 6.	(Per RA)	

Appendix 1 (continued)

Description	Applic. Fee (min charge) \$ GST Excl.	\$ GST Incl.
<p>* Determination dated 1 July 2006 of consent hearing fees payable and defining the duties covered by the fee or excluded, currently \$68 per hour (Committee Member) and \$85 per hour (Chairman).</p> <p>Requests by applicants and/or submitters for independent Commissioner(s) to hear and decide resource consent applications as provided for by s100A(2) of the RMA:</p> <ul style="list-style-type: none"> • In cases where only the applicant requests independent commissioner(s), all the costs for the application to be heard and decided will be charged to the applicant. • In cases where one or more submitter requests independent commissioner(s), the Council will charge as follows: <ul style="list-style-type: none"> a) The applicant will be charged for the amount that the Council estimates it would cost for the application to be heard and decided if the request for independent commissioner(s) had not been made; and b) The requesting submitters will be charged equal shares of any amount by which the cost of the application being heard and decided in accordance with the request exceeds the amount payable by the applicant outlined in a) above. • Notwithstanding the above, in cases where the applicant <u>and</u> any submitter(s) request independent commissioner(s) all the costs for the application to be heard and decided will be charged to the applicant. 		
Note: Approved Resource Consents attract Annual Charges		

For Building Consent Application Fees – Refer Appendix 2.

Consents Hourly Processing Rates

Description	Hourly Rate (GST Excl.)	Hourly Rate GST Incl.
• Secretarial/Admin	55.00	61.88
• Consents Officer Scale 1	75.00	84.38
• Consents Officer Scale 2	85.00	95.63
• Consents Officer Scale 3	95.00	106.88
• Programme Manager Scale 1	95.00	106.88
• Programme Manager Scale 2	105.00	118.13
• Consents Manager	150.00	168.75
• Consultants		Actual Costs

Note 1: Complex Applications for Resource Consent(s): Notwithstanding the above schedule, the Chief Executive Officer may require an Additional Charge pursuant to Section 36(3) based on the Council's estimate of actual and reasonable cost for the processing of complex applications.

Note 2: The fixed initial deposits listed in the above table are minimum charges for resource consent applications and are charges 'fixed' under section 36(1) of the RMA (they are therefore not subject to objection rights). All consent processing costs which exceed the fixed initial deposit are considered to be additional charges pursuant to section 36(3) of the RMA and these may be progressively charged on a monthly basis or invoiced at the end of the consenting process.

Note 3: The final costs of processing each resource consent application will be based on actual and reasonable costs and will include the charging of staff time at the rates in the above schedule of Consents Staff Hourly Processing Rates and disbursements. In the event that consultants are used to assist the Council in processing resource consent applications, the actual costs of the consultants will be used in calculating the final costs...

Note 4: All applications will be publicly notified unless the consent authority is satisfied that the adverse effect on the environment of the activity for which consent is sought will be minor. Where the adverse effects are considered to be minor the application will be processed on a limited notified basis unless the written approval has been provided from every person whom the consent authority is satisfied may be adversely affected by the granting of the consent, in which case the application will qualify to be processed on a non-notified basis.

Note 5: Where an application is for multiple activities involving more than one type of consent, deposits are required for each type with the following exceptions:

- The fee for land use consents for earthworks and/or vegetation clearance (including mining, quarrying, forestry, bridging, and gravel extraction) also includes the water and discharge permits to divert and discharge stormwater where these are required;
- The fee for discharge permits for sewage volumes greater than 3 cubic metres per day (eg communal subdivision systems, marae etc) includes the associated discharge to air resource consent; and
- The fee for discharge permits to discharge stormwater includes the associated water permit to divert stormwater.

Notwithstanding the above the Council may determine that other 'packages' of consent applications do not require individual deposits for each consent type.

Note 6: For applications relating to restricted coastal activities, the applicant will also be charged the costs of the Minister of Conservation's representative. Additional costs of the Minister of Conservation's representative will also be charged with the prior agreement of the applicant.

Note 7: The Consent Holder will be invoiced the amount of the deposit for reviews of consent conditions at the time the review is initiated by the Northland Regional Council.

Appendix 2: Standard Charges under the Building Act 2004

Appendix 3: Small to Moderate Scale Water Takes

Appendix 4: Minor to Moderate Discharges to Air, Water and Land, and Use Activities including Quarries

Appendix 5: Farm Dairy Effluent Charges

Scale of Charges for Consents for Farm Dairy Effluent Discharges

Sampling and testing required where indicated.

Fee Level	Description/Criteria	Charge \$ GST Excl.	Charge \$ GST Incl.
4	Per inspection – (no sampling or testing)	220.00	253.13
4	Per inspection – (single sample only)	265.00	298.13
4	Per inspection – (two samples)	310.00	348.75
4	Perinspection – (three samples)	355.00	399.38
4	Per inspection – (four samples)	400.00	450.00
4	Per inspection – (five samples)	445.00	500.63
4	Per inspection – (six samples)	490.00	551.25

The charge for follow-up inspections for non-complying discharges will be at \$75.00 per hour plus GST, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required.

Note: For fees charged under the Local Government Act for the inspection of non-consented dairy effluent discharge systems, refer to Section 6.2.

- Appendix 6: Coastal Structures (Post Construction or Installation)**
- Appendix 7: Coastal Structures (Construction or Installation Phase)**
- Appendix 8: Land Use Consents for Boating-related Structures in Waters Upstream of the Coastal Marine Area (Post Construction)**
- Appendix 9: Major Industries**
- Appendix 10: Timber Treatment Plants**
- Appendix 11: Major Effluent Discharges or Discharges to Sensitive Receiving Environments**
- Appendix 12: Refuse Landfills**
- Appendix 13: Large Scale Discharges to Air**
- Appendix 14: Major Coastal Activities**
- Appendix 15: Large Scale Water Takes**
- Appendix 16: Miscellaneous Management Charges**
- Appendix 17: Whangarei Harbour Channel user charges**

Recommendation

That the proposed amendments to the Charging Policy in the report from General Manager - Finance & IT, Lisa Aubrey dated 2 March 2010 be approved for including in the draft Annual Plan 2010/2011 for public consultation and subsequent adoption, subject to the submission process.

COMPLIANCE WITH DECISION-MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 Long Term Council Community Plan, and as such are in accordance with the Council's decision-making process and Sections 76-82 of the Local Government Act 2002.

Statement of Proposal Regarding the Navigation, Water Transport and Maritime Safety Bylaw Charges 2010

Files C8.2 & R4.8

Report from the General Manager – Finance and IT, Lisa Aubrey dated 1 March 2010.

INTRODUCTION

A Statement of Proposal and the special consultative procedure is required pursuant to Sections 83, 86 and 156 of the Local Government Act 2002 in order that any clauses of the **Navigation, Water Transport and Maritime Safety Bylaw Charges 2009**, adopted in June 2009, may be amended and the Bylaw Charges re-adopted.

Section 156 of the Act requires that a bylaw or an amendment to an existing bylaw be made pursuant to the special consultative procedure set out in Section 83. That section requires both a Statement of Proposal, and a summary of the information to be prepared, with the summary to be circulated widely and publicly notified. The full Statement of Proposal must be available for public inspection at all offices of the Council during the submission period.

Section 86 requires that a draft of the full bylaw to be amended be included in the Statement of Proposal, setting out the reasons for the proposal and whether a bylaw is an appropriate mechanism pursuant to Section 155.

REASONS FOR THE PROPOSAL

It is proposed to remove the fees set out in Clause 10(a) – (f) **Hatea River Channel Fees**. The user charges were introduced in 2008/2009 to recover the \$100,000 budgeted cost for the upgrade of aids to navigation (new buoys and beacons and replacement of existing lights). The user charges were set to recover the \$100,000 over a three year period. The proposed removal of these user charges reflect the fact that the Hatea River Dredging project came in under budget and these user charges in the third and final year of application are no longer required for cost recovery.

It is further proposed to amend Section 7(c): **Pilotage fees for ships visiting the Bay of Islands when the vessel's GRT is less than 500** to acknowledge the application of pilotage fees will only apply to ships where the vessel is more than 100 GRT. The threshold was inadvertently omitted from the bylaw in the prior year.

There are no other proposed changes to the bylaw.

The draft bylaw is as follows:

Proposed Navigation, Water Transport and Maritime Safety Bylaw Charges 2010

These bylaws shall be known as the Northland Regional Council Navigation, Water Transport and Maritime Safety Bylaw Charges 2010:

1. These bylaws shall apply throughout the region of the Council.
2. In these bylaws, unless the context otherwise requires:

“Maritime facility” means any jetty, jetty berth, wharf, ramp, slipway, boatshed, marina berth, pontoon or pile or swing mooring, whether private, commercial or a recreational public facility.

“Owner” includes:

- (a) in relation to a vessel, the agent of the owner and also a charterer; or
- (b) in relation to any dock, wharf, quay, slipway or other maritime facility, means the owner, manager, occupier or lessee of the dock, wharf, quay, slipway or other maritime facility.

3. Navigation Safety Bylaw Fees

For the period specified hereunder and for each year thereafter until amended or superseded by a subsequent bylaw charge, the owner of every maritime facility in the region shall pay to the Council an annual navigation fee fixed herein.

GST Exclusive

- (a) The navigation fee shall be payable on the number of berths available at the maritime facility, whether or not all berths are used. The Council’s Harbourmaster shall determine the number of berths available at any maritime facility.
- (b)
 - (1) For every jetty, jetty berth, boatshed, ramp, minor slipway, private pontoon, pile and swing moorings and berths in marinas containing 24 berths or less. \$50.00
 - (2) For every berth holder not otherwise included herein a fee for the recovery of the cost of the navigation safety equipment in the upper Hatea River, per berth. \$50.00
 - (3)
 - (a) For every berth in marinas containing more than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$50.00 per berth. \$40.00
 - (b) For every berth in marinas containing 24 or more, but less than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$50.00 per berth. \$46.00
 - (4) Boatsheds, per additional berth. \$50.00
 - (5) Community and boating club structures, jetties and private accommodation in the coastal marine area. \$50.00
 - (6) Marine farms \$50.00
 - (7) High use structures and jetties, marine-related, not more than 300 m² in plan area within the coastal marine area. \$300.00
 - (8) High use commercial slipways with a maximum capacity of less than 50 tonnes. \$300.00

	GST Exclusive
(9) High use structures and jetties, marine-related and more than 300 m ² but not more than 1,000 m ² in plan area within the coastal marine area.	\$1,300.00
(10) High use structures and jetties, marine-related and more than 1,000 m ² in plan area within the coastal marine area.	\$2,300.00
(11) High use commercial slipways with a maximum capacity of more than 50 tonnes.	\$2,300.00
(12) Commercial vessels operating in Northland harbours not serviced by a port company, as defined in the Port Companies Act 1988.	
(a) Intra harbour movements between harbours under control of the Council are to be charged half rate out and half rate in at each harbour.	
(b) Butter, skim milk, buttermilk, whole milk powder casein per tonne.	\$0.53
(c) Cement, coal, coke, diatomaceous earth, fireclay, kaolin, gypsum glass (sheet or plate) per tonne.	\$1.23
(d) Phosphate rock, sulphur, potash per tonne.	\$1.23
(e) Gravel, shingle, lime rock, lime, dolomite, serpentine rock, clinker, soda ash. Other manures and fertilisers, silica sand (<80% silica) per tonne or m ³ as appropriate.	\$1.00
(f) Meats and fish, fresh, frozen or chilled, other agriculture produce, vegetables, fresh fruit per tonne.	\$0.53
(g) Timber (sawn hewn or in logs) per cubic metre.	\$1.16
(h) Wood chips per BDU. Paper per tonne; wood pulp per tonne.	\$1.16
(i) Bitumen, refining residues, crude oil, naphtha, syngas per 1,000 litres.	\$1.60
(j) Motor spirits, diesel oil, jet fuel, kerosene per 1,000 litres.	\$1.54
(k) Refined oil products for overseas export per 1,000 litres.	\$0.53
(l) Other sand per tonne.	\$0.26
(m) Empty containers.	\$13.18
(n) Motor vehicles and trailers up to 4 tonnes per vehicle.	\$17.77
Over 4 tonnes per vehicle.	\$31.11
(o) Livestock per head.	\$1.00

GST Exclusive

- (13) Where any sum becomes due and owing to the Council pursuant to the provisions of bylaw clause (3)(b)(1) and remains unpaid for a period of one calendar month, the Council may remove and hold the facility until such time as the sum owing is paid, together with any expenses incurred in lifting any pile, mooring or movable facility.
- 4. Hot Work Permits**
For vessels alongside wharves or at anchor, per permit \$70.00
- 5. Safe Operating Licences**
For all Northland harbours, unpowered craft not subject to a maritime rule and available for lease or hire, including: dinghies, kayaks, canoes, aqua-cycles, surf cats or similar commercially available craft, an inspection fee to verify the adequacy of flotation and safety equipment, up to one hour. \$70.00
- Where inspection time exceeds one hour, the charge shall be at the rate of \$70.00 per hour plus vehicle running costs at the rates approved from time to time by the Inland Revenue Department.
- 6. Jet Ski Registration Fees**
As resolved and prescribed by the Auckland Regional Council which undertakes this function on behalf of the Northland Regional Council under delegated authority.
- 7. (a) Pilotage**
- (i) Inwards/outwards to wharf, Opuia – per visit**
- | | |
|--|------------|
| Where GRT is greater than 500 but less than 1000 | \$1,500.00 |
| Where GRT is greater than 1000 but less than 18000 | \$2,900.00 |
- (ii) Ships to anchor in Bay of Islands – per visit**
- | | |
|--|------------|
| Where GRT is greater than 500 but less than 1000 | \$1,500.00 |
| Where GRT is greater than 1000 but less than 18000 | \$2,900.00 |
| Where GRT is greater than 18000 but less than 40000 | \$3,400.00 |
| Where GRT is greater than 40000 but less than 100000 | \$3,800.00 |
| Where GRT is greater than 100000 | \$4,200.00 |
- (b) Shipping – Navigation and Safety Services Fee
Per ship visiting the Bay of Islands regardless of which pilotage organisation or company actually services the vessel**
- | | |
|--|------------|
| Where GRT is less than 3000 | \$1.00/GRT |
| Where GRT is greater than 3000 but less than 18000 | \$2,900.00 |
| Where GRT is greater than 18000 but less than 40000 | \$3,200.00 |
| Where GRT is greater than 40000 but less than 100000 | \$3,500.00 |
| Where GRT is greater than 100000 | \$4,000.00 |
- (c) Shipping – Navigation and Safety Services Fee
Per ship visiting the Bay of Islands when the Master is exempt from compulsory pilotage
Up to 3000 GRT** \$1.00/GRT

	GST Exclusive
	Per ship visiting the Bay of Islands when the vessel's GRT is more than 100 and less than 500
	From 100 to 500 GRT
(d)	Shipping – Navigation and Safety Services Fee
	Per ship visiting Whangaroa Harbour except when the ship is also visiting the Bay of Islands during the same voyage
	\$1.00/GRT
	\$1,000.00
8. Navigation and Safety Services Fee	
(a)	North Port Ltd
	\$110,000.00
(b)	Swing/pile moorings (non consented) outside Marine 4 Management Areas (in addition to the navigation fee)
	\$75.00
(c)	Swing/pile moorings within Marine 4 Management Areas which meet the permitted activity criteria (in addition to the navigation fee)
	\$75.00
(d)	For water transport operators not serviced by a port company, at actual time and cost.
(e)	Where the actual costs on a labour time and plant recovery basis exceed the annual fee, the Council will recover any balance on an actual cost basis.
9. Special Events:	
	Clause 3.10 of the Navigation Safety Bylaw 2007 states that any person intending to conduct a race, speed trial, competition or other organised water activity in any area to which the Bylaw applies may apply in writing to the Harbourmaster to:
(a)	temporarily suspend the application of Clause 3.2 (Speed of Vessels) in that area during the conduct of the race, speed trial, competition or other organised water activity; and
(b)	temporarily reserve the area for the purpose of that activity
	Special Event processing fee
	\$140.00

The Council shall recover from the applicant all actual and reasonable costs incurred in arranging for the publication of a public notice. These costs are additional to the above fee.

10. All navigation and other fees specified herein are exclusive of Goods and Services Tax.

11. These bylaw fees shall apply for the period 1 July 2010 to 30 June 2011 and will continue to apply until superseded by a subsequent bylaw charge fixed by resolution and publicly notified or by the review required by Section 158 of the Local Government Act 2002.

The bylaws will be sealed, publicly notified pursuant to the Local Government Act 2002 and confirmed at a meeting of the Council on 16 June 2010. Following confirmation, the bylaws will come into force on 1 July 2010.

Recommendation

That the draft Statement of Proposal regarding the Navigation, Water Transport and Maritime Safety Bylaw Charges 2010 be approved.

COMPLIANCE WITH DECISION-MAKING PROCESS

That the procedures for amending and adopting a bylaw follow the requirements of Sections 83,86 and 156 of the Local Government Act 2002 and accordingly comply with the decision making requirements of the said Act.

E:\Finance\Budget 10_11\Agenda's Required\March Agenda Items\Statement of Proposal Navigation, Water, Transport and Maritime Safety Bylaw Charges 2010.doc

Bylaw Charges Made Pursuant to Section 684B of the Local Government Act 1974

Files C8.2 & R4.8

Report from the General Manager – Finance and IT, Lisa Aubrey dated 1 March 2010.

The Local Government Act 2002 requires that the following draft Bylaw be resolved in total, as set out in the Council's Statement of Proposal contained in the previous item for the amendment of the following bylaw:

Recommendation

A. Navigation, Water Transport and Maritime Safety Bylaw Charges 2009

That the Council's Bylaw Charges made pursuant to Section 684B of the Local Government Act 1974 be amended as follows:

1. The **NORTHLAND REGIONAL COUNCIL** under and in exercise of the powers conferred upon it by Sections 650A-H, 650J and 684B-I of the Local Government Act 1974 as inserted by Section 7 of the Local Government Amendment Act (No. 2) 1999, Schedule 18 of the Local Government Act 2002 and all other Acts, amendment Acts and powers vested in it, **hereby makes and passes** the following bylaw amendment.

B. That the revised bylaw shall be as follows:

THE NAVIGATION, WATER TRANSPORT AND MARITIME SAFETY BYLAW CHARGES 2009:

These bylaws shall be known as the Northland Regional Council Navigation, Water Transport and Maritime Safety Bylaw Charges 2010:

1. These bylaws shall apply throughout the region of the Council.
2. In these bylaws, unless the context otherwise requires:

“Maritime facility” means any jetty, jetty berth, wharf, ramp, slipway, boatshed, marina berth, pontoon or pile or swing mooring, whether private, commercial or a recreational public facility.

“Owner” includes:

- (a) in relation to a vessel, the agent of the owner and also a charterer; or
- (b) in relation to any dock, wharf, quay, slipway or other maritime facility, means the owner, manager, occupier or lessee of the dock, wharf, quay, slipway or other maritime facility.

3. Navigation Safety Bylaw Fees

For the period specified hereunder and for each year thereafter until amended or superseded by a subsequent bylaw charge, the owner of every maritime facility in the region shall pay to the Council an annual navigation fee fixed herein.

GST Exclusive

- (a) The navigation fee shall be payable on the number of berths available at the maritime facility, whether or not all berths are used. The Council's Harbourmaster shall determine the number of berths available at any maritime facility
- (b) (1) For every jetty, jetty berth, boatshed, ramp, minor slipway, private pontoon, pile and swing moorings and berths in marinas containing 24 berths or less. \$50.00
- (2) For every berth holder not otherwise included herein a fee for the recovery of the cost of the navigation safety equipment in the upper Hatea River, per berth. \$50.00
- (3)(a) For every berth in marinas containing more than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$50.00 per berth \$40.00
- (b) For every berth in marinas containing 24 or more, but less than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$50.00 per berth \$46.00
- (4) Boatsheds, per additional berth \$50.00
- (5) Community and boating club structures, jetties and private accommodation in the coastal marine area \$50.00
- (6) Marine farms \$50.00
- (7) High use structures and jetties, marine-related, not more than 300 m² in plan area within the coastal marine area \$300.00
- (8) High use commercial slipways with a maximum capacity of less than 50 tonnes \$300.00
- (9) High use structures and jetties, marine-related and more than 300 m² but not more than 1,000 m² in plan area within the coastal marine area \$1,300.00
- (10) High use structures and jetties, marine-related and more than 1,000 m² in plan area within the coastal marine area \$2,300.00
- (11) High use commercial slipways with a maximum capacity of more than 50 tonnes \$2,300.00
- (12) Commercial vessels operating in Northland harbours not serviced by a port company, as defined in the Port Companies Act 1988:
- (a) Intra harbour movements between harbours under control of the Council are to be charged half rate out and half rate in at each harbour

	GST Exclusive
(b) Butter, skim milk, buttermilk, whole milk powder casein per tonne	\$0.53
(c) Cement, coal, coke, diatomaceous earth, fireclay, kaolin, gypsum glass (sheet or plate) per tonne	\$1.23
(d) Phosphate rock, sulphur, potash per tonne	\$1.23
(e) Gravel, shingle, lime rock, lime, dolomite, serpentine rock, clinker, soda ash. Other manures and fertilisers, silica sand (<80% silica) per tonne or m ³ as appropriate	\$1.00
(f) Meats and fish, fresh, frozen or chilled, other agriculture produce, vegetables, fresh fruit per tonne	\$0.53
(g) Timber (sawn hewn or in logs) per cubic metre	\$1.16
(h) Wood chips per BDU. Paper per tonne; wood pulp per tonne	\$1.16
(i) Bitumen, refining residues, crude oil, naphtha, syngas per 1,000 litres	\$1.60
(j) Motor spirits, diesel oil, jet fuel, kerosene per 1,000 litres	\$1.54
(k) Refined oil products for overseas export per 1,000 litres	\$0.53
(l) Other sand per tonne	\$0.26
(m) Empty containers	\$13.18
(n) Motor vehicles and trailers up to 4 tonnes per vehicle	\$17.77
Over 4 tonnes per vehicle	\$31.11
(o) Livestock per head	\$1.00
(13) Where any sum becomes due and owing to the Council pursuant to the provisions of bylaw clause (3)(b)(1) and remains unpaid for a period of one calendar month, the Council may remove and hold the facility until such time as the sum owing is paid, together with any expenses incurred in lifting any pile, mooring or movable facility.	
4. Hot Work Permits	
For vessels alongside wharves or at anchor, per permit	\$70.00
5. Safe Operating Licences	
For all Northland harbours, unpowered craft not subject to a maritime rule and available for lease or hire, including: dinghies, kayaks, canoes, aqua-cycles, surf cats or similar commercially available craft, an inspection fee to verify the adequacy of flotation and safety equipment, up to one hour	\$70.00

Where inspection time exceeds one hour, the charge shall be at the rate of \$70.00 per hour plus vehicle running costs at the rates approved from time to time by the Inland Revenue Department.

6. Jet Ski Registration Fees

As resolved and prescribed by the Auckland Regional Council which undertakes this function on behalf of the Northland Regional Council under delegated authority.

7. (a) Pilotage

	GST Exclusive
(i) Inwards/outwards to wharf, Opua – per visit	
Where GRT is greater than 500 but less than 1000	\$1,500.00
Where GRT is greater than 1000 but less than 18000	\$2,900.00
(ii) Ships to anchor in Bay of Islands – per visit	
Where GRT is greater than 500 but less than 1000	\$1,500.00
Where GRT is greater than 1000 but less than 18000	\$2,900.00
Where GRT is greater than 18000 but less than 40000	\$3,400.00
Where GRT is greater than 40000 but less than 100000	\$3,800.00
Where GRT is greater than 100000	\$4,200.00
(b) Shipping – Navigation and Safety Services Fee	
Per ship visiting the Bay of Islands regardless of which pilotage organisation or company actually services the vessel	
	GST Exclusive
Where GRT is less than 3000	\$1.00/GRT
Where GRT is greater than 3000 but less than 18000	\$2,900.00
Where GRT is greater than 18000 but less than 40000	\$3,200.00
Where GRT is greater than 40000 but less than 100000	\$3,500.00
Where GRT is greater than 100000	\$4,000.00
(c) Shipping – Navigation and Safety Services Fee	
Per ship visiting the Bay of Islands when the Master is exempt from compulsory pilotage	
Up to 3000 GRT	\$1.00/GRT
Per ship visiting the Bay of Islands when the vessel's GRT is more than 100 and less than 500	
From 100 to 500 GRT	\$1.00/GRT
(d) Shipping – Navigation and Safety Services Fee	
Per ship visiting Whangaroa Harbour except when the ship is also visiting the Bay of Islands during the same voyage	\$1,000.00

8. Navigation and Safety Services Fee

(a)	North Port Ltd	\$110,000.00
(b)	Swing/pile moorings (non consented) outside Marine 4 Management Areas (in addition to the navigation fee)	\$75.00
(c)	Swing/pile moorings within Marine 4 Management Areas which meet the permitted activity criteria (in addition to the navigation fee)	\$75.00

- (d) For water transport operators not serviced by a port company, at actual time and cost.
- (e) Where the actual costs on a labour time and plant recovery basis exceed the annual fee, the Council will recover any balance on an actual cost basis.

9. Special Events:

Clause 3.10 of the Navigation Safety Bylaw 2007 states that any person intending to conduct a race, speed trial, competition or other organised water activity in any area to which the Bylaw applies may apply in writing to the Harbourmaster to:

- (a) temporarily suspend the application of Clause 3.2 (Speed of Vessels) in that area during the conduct of the race, speed trial, competition or other organised water activity; and
- (b) temporarily reserve the area for the purpose of that activity Special Event processing fee \$140.00

The Council shall recover from the applicant all actual and reasonable costs incurred in arranging for the publication of a public notice. These costs are additional to the above fee.

- 10. All navigation and other fees specified herein are exclusive of Goods and Services Tax.
- 11. These bylaw fees shall apply for the period 1 July 2010 to 30 June 2011 and will continue to apply until superseded by a subsequent bylaw charge fixed by resolution and publicly notified or by the review required by Section 158 of the Local Government Act 2002.

The bylaws will be sealed, publicly notified pursuant to the Local Government Act 2002 and confirmed at a meeting of the Council on 16 June 2010. Following confirmation, the bylaws will come into force on 1 July 2010.

COMPLIANCE WITH DECISION-MAKING PROCESS

The procedures for amending and adopting the foregoing bylaw followed the requirements of Section 86 of the Local Government Act 2002 and accordingly comply with the decision making requirements of the said Act.

Draft Annual Plan 2010/2011

File C8

Report from General Manager – Projects and Information, Linda Stansfield dated 8 March 2010.

The Northland Regional Council's Draft Annual Plan 2010/2011 is enclosed separately for consideration at this meeting. Following on from recent workshops, Councillors may like to refer to the "Focus for the year 2010-2011" section on pages 11-14 for the projects identified as priorities for the year ahead. These priorities include:

- Funding the Regional Growth Programme;
- Regional Policy Statement – Shaping Northland's future;
- Priority Rivers – Whangarei Central Business District Flood Risk Reduction;
- Water Quality Initiatives;
- Mangrove Removal Proposal;
- Co-Management with Maori;
- Rugby World Cup Pre-Planning;
- Aquaculture;
- Broadband;
- Minerals; and
- Possible future development of a National Conference and Events Centre at Waitangi.

A draft Chairman and Chief Executive Officer's foreword will be tabled at the meeting.

Under the Local Government Act (LGA) 2002, the main purpose of the Annual Plan is to provide updated financial information and the proposed budget for the 2010/2011 year, and to offer the community an opportunity to comment. The Plan focuses on identifying changes or additions to the Northland Community Plan 2009-2019 rather than repeating detailed information.

In accordance with the current project timeline, following adoption by the Council, it is intended that the Draft Plan will be printed and publicly notified on 10 April 2010, with submissions closing at 3.00pm on 10 May 2010. It is planned to listen to and debate submissions on 24 to 26 May.

It is proposed that the Plan be adopted at the Council meeting on 16 June 2010. Media releases and advertisements will be used to encourage public participation in the process.

In addition, as required by the LGA 2002, a summary Draft Annual Plan must also be prepared and will be distributed to all Northland residents via a mailbox drop. It is anticipated that a copy of the Draft Summary will be tabled at the meeting. People will be able to make a submission directly from the summary if they wish, or request a copy of the Draft Plan in print or CD.

As in the past, staff advise all interested individuals and organisations that Council representatives are available to speak on issues, should they so request.

Recommendation

That the Draft Annual Plan Statement of Proposal 2010/2011 as amended at this meeting be released for public comment, and that the Chief Executive Officer and Chairman be authorised to make any changes to the Plan that they deem necessary arising from its final editing.

COMPLIANCE WITH DECISION MAKING PROCESS

This Draft Annual Plan has been developed in accordance with the requirements of the Local Government Act 2002, and will be adopted using the special consultative procedure detailed in Sections 83 and 84 of the Act.

Draft Summary Financial Plan 2010/2011

File C4.50

Report from the Finance Manager, Simon Crabb, and the General Manager – Finance & IT, Lisa Aubrey, dated 8 March 2010.

BACKGROUND

This item is a summary of the Draft Financial Plan for the 2010/2011 financial year. The financial plan underpins the cost of activities for the second year of the 2009-2019 Community Plan through the Annual Plan process.

Essentially, Council's Draft Annual Plan 2010/2011 calls for a rates increase of between 3.3 percent (approximately \$400,000) and 12.39% (\$1.48 million), excluding river rates.

The final rates increase adopted by Council will effectively depend on submissions made during upcoming public consultation on the Draft Annual Plan and which – if any – of several proposed initiatives the community supports.

At the lowest end, the Draft Annual Plan calls for a 3.3% general rates increase generating an extra roughly \$400,000 (GST inclusive) in rates over the 12 month life of the draft plan. This follows a comprehensive review of Council budgets and is equivalent to a rates increase of about \$4.70 per ratepayer annually. It would cover inflationary increases and minor adjustments across other Council activities.

However, the Draft Annual Plan also includes proposals to fund several optional initiatives including:

- A Regional Growth Programme (\$451,000)
- Water quality initiatives (\$113,000)
- A Rugby World Cup Regional Project Manager (\$135,000)
- A mangrove removal programme (\$135,000)

If the public was supportive and these and other initiatives were adopted by Council, the average ratepayer's rates bill would increase by approximately \$18 a year (12.39%).

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

The Prospective Statement of Comprehensive Income (Income Statement) presents the proposed 2010/2011 operational budget at an aggregated level. The Statement of Comprehensive Income is stated in GST exclusive figures. Financial information at an Activity level is included within the Draft Annual Plan. Council is forecasting a net surplus from operations after transfers to/and from reserves of \$95,641. The 2010/2011 LTCCP forecasted a budgeted surplus of \$96,383.

The Statement of Comprehensive Income includes non-cash items relating entirely to the forecasted increase in the value of Council's forestry holdings. The non-cash item (other gains) is \$92,960. After removing this non-cash item, the net surplus adjusts to \$2681 in the Draft Annual Plan 2010/2011, compared to \$3423 in the 2009-2019 Community Plan.

REVENUE

Total forecast revenue, including rates, for the 2010/2011 financial year is \$25.289M. This is \$176K less than forecast in the 2009-2019 Community Plan. Forecast revenue is \$267K greater than the 2009-2010 financial year. Explanations for variances against the Community Plan are provided below, following on from the Statement of Comprehensive Income.

EXPENDITURE

Total forecast expenditure for the 2010/2011 financial year is \$24.456M. This is \$403K less than forecast in the 2009-2019 Community Plan. Explanations for variances against the Community Plan are provided below, following on from the Statement of Comprehensive Income.

DRAFT Northland Regional Council Prospective Statement of Comprehensive Income for period ending 30 June 2011	LTCCP Forecast 2010/11 NZ\$	DRAFT ANNUAL PLAN Forecast 2010/11 NZ\$	VARIANCE
REVENUE			
Grants and Subsidies	1,206,103	1,399,363	193,259
User charges	3,944,777	3,727,867	(216,910)
Revenue from activities	5,150,880	5,127,230	(23,651)
Targeted Council Service Rate	4,873,948	5,703,709	829,761
Land Management Rates	4,045,786	4,165,158	119,372
Regional Infrastructure Rate	585,324	567,521	(17,803)
Regional Recreational Facilities Rate	1,137,987	1,198,620	60,632
Targeted Rates	2,225,100	1,761,517	(463,583)
Total Rating revenue	12,868,145	13,396,525	528,380
Rental Income	3,214,696	3,184,585	(30,111)
Interest Income	2,737,846	2,088,758	(649,088)
Dividend Income	1,367,712	1,367,712	-
Sundry Income	33,056	31,330	(1,726)
Other Revenue	7,353,310	6,672,385	(680,925)
Other gains	92,960	92,960	-
TOTAL REVENUE	25,465,295	25,289,099	(176,196)
EXPENDITURE			
Personnel Costs	9,906,125	9,874,880	31,245
Depreciation	1,097,872	1,097,872	0
Finance Costs	1,033	1,000	33
Other expenditure on activities	13,854,307	13,482,367	371,940
TOTAL OPERATING EXPENDITURE	24,859,337	24,456,119	403,218
NET SURPLUS / (DEFICIT) FROM OPERATIONS	605,958	832,981	227,022
OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	605,958	832,981	227,022
Transfer from/(to) reserves - Land Management	-	(100,000)	(100,000)
Transfer from/(to) reserves - Awanui River works.	(47,555)	(125,695)	(78,140)
Transfer from/(to) reserves - Recreational Fac.	(453,570)	(543,935)	(90,365)
Transfer from/(to) reserves - Forestry Eq Harvest.	79,000	79,000	-
Transfer from/(to) reserves - Hatea River Maint	(46,240)	(46,709)	(469)
Transfer from/(to) reserves - Other	(41,210)	-	41,210
Transfer from/(to) Reserves	(509,575)	(737,339)	(227,764)
TOTAL COMPREHENSIVE INCOME AFTER TRANSFERS FROM/(TO) RESERVES	96,383	95,641	(742)

Explanations of the key variations of the Draft Annual Plan 2010/2011 compared to the 2009-2019 Community Plan are explained as follows:

- **Grants and Subsidy** income has increased by \$193K predominantly due to the grant received from the National Enviroschools Foundation to fund three Enviroschools Facilitators.
- **User Charges** have decreased by \$217K largely due to a reduction in bus fare revenue which consequently resulted in a review of the bus service timetable (to reduce expenditure), and the discontinuation of the Hatea River dredging user charges. These decreases are partly offset up by increases in the revenue generated from pilotage fees and Navigational Bylaw charges. To reiterate, there is no change to the net cost to Council, revenue decreases are offset by corresponding expenditure decreases.
- **Rental Income** has slightly decreased by \$30K (0.9%) predominantly due to a review of the rent reviews that have occurred since the compilation of the LTCCP and reviews that are set to occur before the commencement of the 2010/2011 financial year and during the 2010/2011 year.
- **Interest Income** has decreased by \$649K predominantly due to a review of the current interest rates available in the market and also resulting from a reduction in the joint venture interest. In the case of the joint venture interest, corresponding expenditure has also decreased.
- **Personnel expenditure** has decreased by \$31K (0.3%) predominantly due to minor adjustments in wages and salaries.
- **Other Activity expenditure** has decreased by \$371K. This decrease is due to the follow factors:
 - reduction in costs associated with bus services \$254K,
 - reduction in the amount of Joint Venture funding made,
 - reduction in river works following a review of the Awanui scheme in Oct 2009,
 - Additional expenditure introduced into the draft budget for water quality initiatives \$100K, funding for a Rugby World Cup Regional Project Manager \$120K and \$120K for mangrove removal.
- **A reserve transfer** to the Land Management Reserve has been introduced to repay river prioritisation work that will occur earlier than budgeted in the 2009/10 financial year. Information on this matter was presented to Council in the February 2010 Audit and Finance meeting.

CAPITAL EXPENDITURE BUDGET

The proposed total forecast capital expenditure for the 2010/2011 financial year is \$2,225,580; this is 14% lower than the 2010/2011 LTCCP forecast of \$2,586,565. The reduction in capital expenditure is predominantly due to a review of the Information Technology Capital budget.

Capital expenditure for the 2010/2011 financial year includes \$1,370,465 for information technology, \$545,115 for plant and equipment and \$310,000 for the vehicle replacement programme.

Further work will be carried out with a view to further reducing the capital expenditure programme. It is expected there will be some savings in the current year.

RATING IMPLICATIONS

The proposed rate movement from 2009/10 to 2010/11 is summarised in the table below:

Inclusive of GST	Proposed 2009/2010 (\$)	Proposed 2010/2011 (\$)	Movement (\$)	Movement %
Targeted Council Services Rate	\$ 5,211,318	\$ 6,416,672	\$ 1,205,354	23.1%
Targeted Land Management Rate	\$ 4,406,108	\$ 4,685,803	\$ 279,695	6.3%
Targeted Regional Infrastructure Rate	\$ 637,454	\$ 638,461	\$ 1,007	0.2%
Targeted Northland Regional Recreational Facilities Rate	\$ 1,269,174	\$ 1,348,447	\$ 79,273	6.2%
Targeted Rescue Helicopter Services Rate	\$ 703,589	\$ 707,841	\$ 4,252	0.6%
Targeted Transport Rate (Whangarei District)	\$ 459,776	\$ 461,709	\$ 1,933	0.4%
Total Rates	\$ 12,687,420	\$ 14,258,933	\$ 1,571,513	12.39%

Council is proposing a rate increase of 12.39%. This will bring the total rate revenue to \$14,258,933 (GST inclusive). Targeted River rates are not included in this calculation. This additional revenue will be applied to fund the proposed additional projects detailed in the variance explanations.

It is proposed to incorporate the Regional Growth Programme Rate into the Targeted Council Services Rate. The 2009-2019 Community Plan sets out Council's proposal to introduce a separate Targeted Regional Growth Programme Rate. On further consideration the Targeted Council Services Rate was considered to align to the Growth Programme activity. The inclusion of the Growth Programme into this existing rate will also reduce administration costs associated with establishing a new separate rate. It is proposed to increase the Targeted Council Services Rate by \$450,795 (including GST) per annum. This would result in an increase of \$5.37 (including GST) for ratepayers in Whangarei District and \$4.97 (including GST) in the Far North District, for each separately used and inhabited part of each rating unit. The increase for each rating unit in the Kaipara District would amount to \$5.80 (including GST).

The Growth Programme will provide an action plan for linking local aspirations with regionally and nationally significant investment and intervention programmes enabling Northland to reach its full potential. The programme will provide clear direction and priorities able to be used as a means of managing the relationship between economic growth, improved infrastructure, environmental management and regional leadership for the long term benefit of region and the people who live here.

The Targeted Land Management Rate increased to cover general increases in cost and also an additional expenditure of \$120K introduced for a proposed Mangrove Removal Programme.

Regional Recreational Facilities rate is a fixed charge and has not changed from the 2009/2010 financial year.

It should be noted, Council has assumed the GST for the 2010/2011 will be 12.5%. However, the Government is currently reviewing the GST legislation and any changes will have a direct impact on the GST applied to rates.

The overall rate increase proposed in the Draft Annual Plan is 12.39%, which equates to approximately \$18.38 including GST (\$16.34 excluding GST) per ratepayer. Targeted River Rates are not included in the above table and have been increased by 3.3% as signalled in the LTCCP.

Recommendation

1. That the report from Finance Manager, Simon Crabb, and the General Manager – Finance and IT, Lisa Aubrey, dated 8 March 2010 be received.
2. That the 2010/2011 Draft Financial Plan be approved as the budget estimates supporting year two of the 2009-2019 Northland Community Plan.

COMPLIANCE WITH DECISION-MAKING PROCESS

This plan is in accordance with the Council's decision-making process and Sections 76-82 of the Local Government Act 2002.

Financial Report – 28 February 2010

File C4.12

Report from Financial Accountant Kim Harvey dated 4 March 2010.

The **Summary Council Cost of Services Statement** and **Cost of Service Statements by Activity** for the eight months ended 28 February 2010 are presented for Councillors' information.

OVERVIEW

We are now eight months through the 2009/2010 financial year and Council remains in a sound financial position. There continues to be favourable variances which are attributable to budget phasing. This means variances in a number of areas are as a result of timing differences between projected and actual expenditure patterns. These variances arise because of the difficulty to predict with certainty the month(s) expenditure likely to be incurred during the year, particularly for costs such as consultants and casual/contract staff. As we move through the summer months a large amount of Council's project work has come on-stream, and will continue to do so, meaning expenditure outflows will continue to pick up. This will eliminate a number of the favourable variances showing at present and we expect our full year position to be close to budget.

OPERATING RESULTS

The Summary Cost of Services Statement for the eight months to 28 February 2010 shows a net operating surplus before extraordinary items of \$757K against a budgeted deficit of \$(507)K, resulting in a favourable variance of \$1.3M. The favourable variance is due to expenditure tracking behind budget by \$1.05M, and revenue tracking ahead of budget by \$213K.

The net operating deficit after extraordinary items is \$(3.9)M compared to a budgeted deficit of \$(6.1)M, resulting in a favourable variance after extraordinary items of \$2.2M.

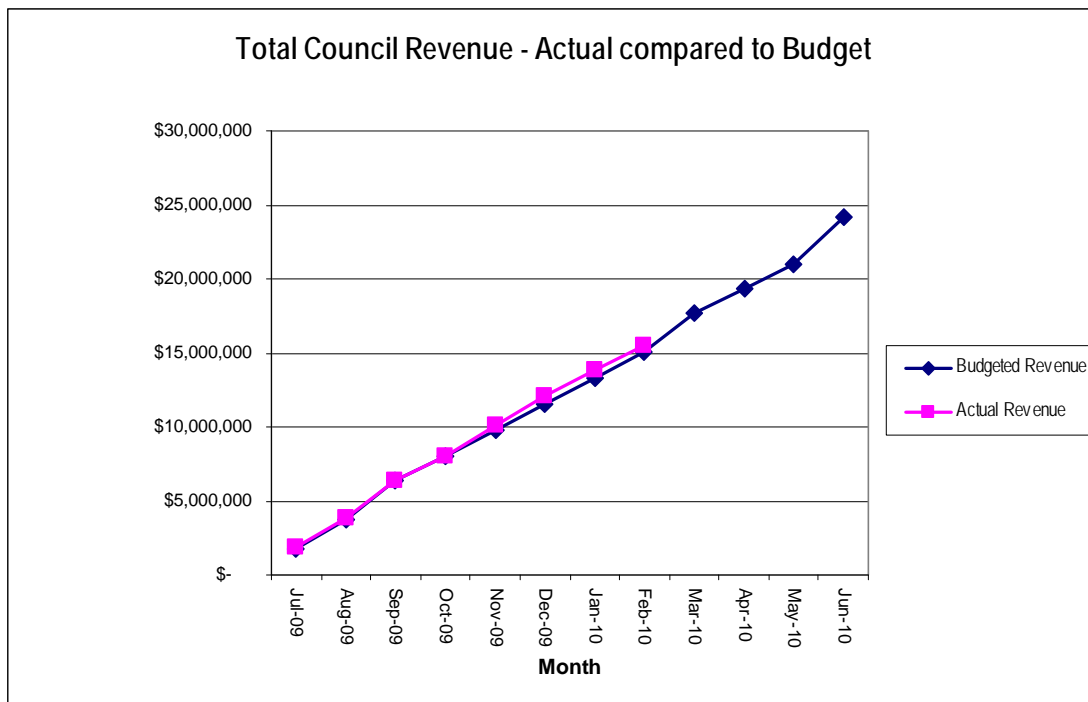
Removing extraordinary items from the operating results gives a clearer picture on the operating activities of Council. For reporting purposes we have classified the Recreational Facilities Rate and all Northland Events Centre related payments as extraordinary items. Expenditure contributed by Council towards the Events Centre will be funded from reserves in the first instance and repaid from the Recreational Facilities rate over an approximate 15 year period. Extraordinary items also include vested assets and may also include other items as they come on-stream.

The value of extraordinary items has increased this month with payments made towards the establishment of the Northland Events Centre totalling \$832K, and this is partially offset by revenue from the Regional Recreational Facilities Rates collected for the month of \$95K.

A point to note is that the financial statements to 28 February 2010 include the cost of a call to be made on Council by the RiskPool Insurance Fund over the next three years. RiskPool is a mutual fund comprising a number of Councils. RiskPool was established to provide Local Government insurance in areas where private insurance either did not exist or was prohibitively expensive. As a result of RiskPool paying out on weather tightness claims, a call has been made on all members to fund the shortfall. A separate paper will be presented to the March Audit and Finance meeting on this matter. To be prudent the full liability is recognised at this time.

REVENUE

The year to date revenue at \$15.3M is tracking close to budget with a 1% favourable variance of \$213K. This is illustrated by the line graph below.



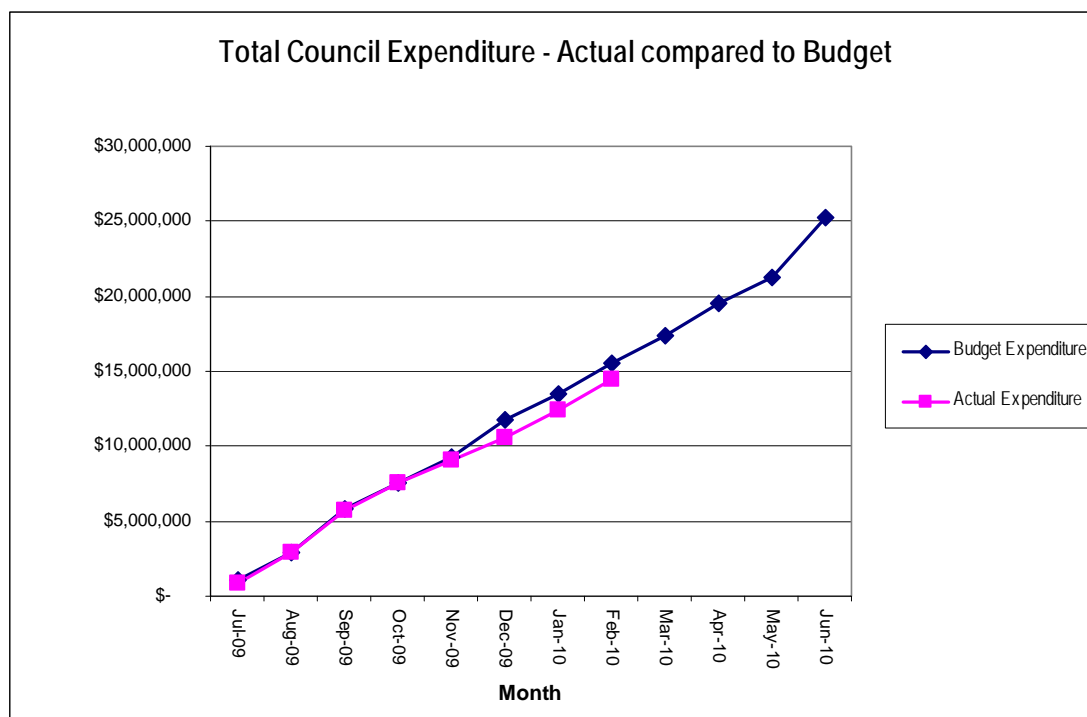
Grants and Subsidies revenue exceeded budget for February, but continue to show an unfavourable variance year to date. The variance relates to subsidies for bus transport administration, civil defence and maritime transport. The variance is due to budget phasing rather than long term differences, and is expected to reverse later in the year.

Investment interest income continues to track behind budget as a result of interest rates achieved to date being lower than budgeted. Investments are being actively monitored by finance staff.

The unfavourable revenue variances are offset by User Fees and Sundry revenue tracking ahead of budget by \$590K. This is primarily due to application fees and cost recoveries from several large consent applications that came on-stream earlier than projected (timing differences), and higher than projected revenue from Farm Dairy Effluent infringement notices and other enforcement action, which create a favourable variance that is likely to still exist at year end.

EXPENDITURE

Year to date expenditure is \$14.5M compared to a budget of \$15.6M, giving a favourable variance at the end of February 2010 of 7 or \$1.17M, as shown on the line graph below.



Areas of note in expenditure are as follows:

- Environmental Monitoring is over spent in the month of February due to the phasing of some costs evenly across the year that are just coming on stream now, however the year to date position shows a favourable expenditure variance of 8% or \$272K. This is a reflection of two staff vacancies in the department in the first six to eight months of the financial year, both of which have now been filled, and the legal fees associated with the high level of enforcement action undertaken this year (referred to in the Revenue section above). There are also variances due to phasing of some costs that have not yet come on-stream. It is expected there will continue to be an uptake in these costs in the remaining summer months, resulting in an evening out of the year to date position.
- Land and Rivers costs for the month of February 2010 and the year to date are under budget due to the phasing of expenditure on stopbanks and river schemes and the projects approved under the Council's Environment Fund scheme. These costs are expected to catch up to budget, and diminish the current year to date favourable variance, over the next few months as summer is the time of year the bulk of this work is carried out.
- Biosecurity expenditure continues to track behind budget for the month of February 2010 and the year to date, resulting in an overall favourable variance of \$212K (15%). This can be attributed to pest contracts not yet coming on-stream, and a delay in weed-led control projects meaning contractors have not yet been appointed. It is expected this work will come on-stream and the budgeted costs expended by the end of the financial year, meaning the variance is only temporary.
- Democracy and Corporate Services expenditure is below budget due to cost savings in forest related expenditure, some of which has been deferred until the 2010/2011 year and some that has been subsequently deemed not required on the advice of Council's forest management consultant. The value of these cost

savings is expected to be approximately \$80K. In addition it is expected there will also be cost savings as a result of the budgeted salary increase for Members not being taken up. This is likely to total approximately \$22K.

- Regional Information and Engagement shows a favourable expenditure variance for both the month of February 2010 and the year to date due to the phasing of various Iwi projects and publicity/education and promotion costs, which are expected to come on stream shortly.
- Consents is underspent for the month of February 2010 due to budget phasing of legal fees and contract/casual staff, however the year to date position shows expenditure continuing to track marginally ahead of budget with a 2% (\$36K) unfavourable variance. These higher than budgeted costs are associated with processing applications that came on stream earlier than projected, and are offset by the favourable revenue variance in Consents arising from higher than budgeted cost recoveries.

CAPITAL EXPENDITURE

Eight months into the financial year \$1.51M has been spent on capital items out of an annual budget of \$4.0M. The budget for Capital expenditure is not phased.

Key items that make up this expenditure are the SAN project (\$506K), vehicle replacements (\$328K), information system equipment and replacements (\$327K) and the IRIS project (\$186K).

EXTRAORDINARY ITEMS

Extraordinary items have been removed from operating results. The results after removing these items are a truer reflection of the operating results. The items classified as extraordinary are:

- the Regional Recreational Facilities Rate collected to fund the Northland Events Centre totalling \$756K to date;
- the costs contributed towards the Northland Events Centre which now total \$5.49M; and
- notional revenue of \$42K arising from navigation aids vested to the Council by Northport Limited.

Recommendation

That the financial report to 28 February 2010 from Financial Accountant Kim Harvey dated 4 March 2010, be received.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 Long Term Council Community Plan, and as such are in accordance with the Council's decision-making process and Sections 76-82 of the Local Government Act 2002.

Monthly Report for		February 2010							
Total Council Revenue	February 2010				YEAR TO DATE				FULL YEAR BUDGET (LTCCP) ¹
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Rates (excluding Regional Recreational Facilities Rate)	905,531	907,501	(1,970)	0%	7,276,091	7,260,018	16,073	0%	10,890,026
User Fees and Sundry	289,842	376,312	(86,470)	-23%	3,179,916	2,589,270	590,645	23%	3,786,466
Grants and Subsidies	102,678	89,521	13,157	15%	725,389	790,582	(65,193)	-8%	1,203,318
Investment Interest Income	185,148	237,661	(52,513)	-22%	1,599,161	1,901,286	(302,125)	-16%	3,207,522
Investment Property Income	172,547	176,117	(3,570)	-2%	1,829,342	1,838,258	(8,916)	0%	3,112,000
Forestry Harvest	1,974	0	1,974	-	1,974	0	1,974	-	365,825
Dividend Income	0	0	0	-	664,887	683,856	(18,969)	-3%	1,367,712
	1,657,720	1,787,112	(129,392)	-7%	15,276,760	15,063,270	213,490	1%	23,932,869
Expenditure									
Democracy and Corporate Services	123,082	131,872	8,790	7%	880,777	987,484	106,706	11%	1,557,566
Regional Information and Engagement	132,173	117,143	(15,030)	-13%	907,674	1,014,072	106,398	10%	1,534,992
Regional Economic Development	306,947	210,082	(96,865)	-46%	1,302,385	1,269,591	(32,794)	-3%	2,775,956
Resource Management Planning	97,394	95,578	(1,816)	-2%	704,080	792,895	88,815	11%	1,349,116
Transport	210,485	209,202	(1,283)	-1%	1,595,705	1,684,590	88,885	5%	2,703,358
Consents	166,067	171,768	5,701	3%	1,513,654	1,477,677	(35,977)	-2%	2,213,199
Environmental Monitoring	435,340	417,149	(18,191)	-4%	3,188,586	3,460,989	272,403	8%	4,924,253
Land and Rivers	264,324	338,825	44,013	13%	2,229,893	2,382,713	152,820	6%	3,629,846
Biosecurity	167,863	268,615	100,752	38%	1,204,086	1,415,855	211,769	15%	2,306,934
Emergency Management	16,868	16,719	(149)	-1%	121,250	138,511	17,261	12%	210,150
Maritime	116,592	119,670	3,078	3%	872,033	936,403	64,370	7%	1,441,776
Support Services	(0)	(32,516)	(32,515)	-	(0)	9,844	9,844	100%	0
	2,037,134	2,064,107	(3,514)	0%	14,520,123	15,570,623	1,050,500	7%	24,647,146
Net Cost/(Surplus) of Service before extraordinary items	379,414	276,995	\$(132,906)	-48%	(756,637)	507,353	1,263,990	249%	714,277
Extraordinary Items									
Regional Recreational Facilities Rate	94,560	94,013	547	1%	756,482	752,103	4,379	1%	1,128,155
Regional Events Centre expenditure	(832,439)	(832,450)	11	0%	(5,489,470)	(6,341,450)	851,980	-13%	13,000,000
Forestry Revaluation	\$0	\$0	\$0	-	\$0	\$0	\$0	-	137,045
(Loss) / Gain on Sale of Asset	\$0	\$0	\$0	-	41,650	\$0	41,650	-	0
Special Dividend	\$0	\$0	\$0	-	\$0	\$0	0	-	0
Tax on Special Dividend	\$0	\$0	\$0	-	\$0	\$0	\$0	-	0
	(737,879)	(738,437)	\$558	0%	(4,691,338)	(5,589,347)	898,009	-16%	11,734,800
Net Cost/(Surplus) of Service after extraordinary items	1,117,293	1,015,432	\$(132,348)	-13%	3,934,701	6,096,700	2,161,999	35%	12,449,077
Capital Expenditure	958,372				1,602,625				4,000,439

Notes

- The Transport Full Year Budget is \$29,458 over that published in the 2009/19 LTCCP due to the carry over of \$29,458 from 2008/09 for the Regional Land Transport Strategy, as approved by the Audit and Finance Committee in August 2009.
- The Land and Rivers Full Year Budget is \$647,136 over that published in the 2009/19 LTCCP due to the carry over of \$151,066 for the Priority Rivers Project as approved by the Audit and Finance Committee in August 2009, additional expenditure on the Priority Rivers Project of \$339,330 approved by the Audit and Finance Committee in February 2010, and additional expenditure on the Awanui River Scheme works of \$156,800 approved by the Audit and Finance Committee in October 2009.
- The Regional Economic Development Full Year budget is \$62,500 less than that published in the 2009/2019 LTCCP due to the transfer out of \$45,000 to the Monitoring budget for the fecal study and \$17,500 transferred to Capex for the library ref.
- The Monitoring Full Year Budget is \$45,000 over that published in the 2009/2019 LTCCP due to the transfer in of funds from the Regional Economic Development budget for the fecal study, as explained above.
- The Maritime Full Year budget is \$30,000 less than that published in the 2009/2019 LTCCP due to a transfer to capital expenditure budgets for navigation aids, specifically lights, approved by the Audit and Finance Committee in February 2010.
- The Capital Expenditure Full year Budget is \$138,036 over that published in the 2009/19 LTCCP due to the carryover of \$26,939 Environmental Monitoring expenditure; \$17,350 Regional Information and Engagement expenditure; and \$46,247 Information Systems expenditure approved by the Audit and Finance Committee in August 2009, and additional capital expenditure funded by transfers from the Regional Economic Development operating budget of \$17,500 and the Maritime operating budget of \$30,000, approved by the Audit and Finance Committee in February 2010.

Detailed variance explanations are provided under each Group Activity Report.

Capital Expenditure Details

Key items making up capital expenditure are as follows:

Vehicle Replacements	43,849	327,787
SAN Project	440,885	506,113
IRIS Project	89,388	186,386
IS Equipment / Replacements	300,355	326,905

Monthly Report for		February 2010								
		February 2010				YEAR TO DATE				
		Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	Annual Budget
Total Democracy and Corporate Services										
Revenue										
Rates		42,542	42,339	203	0%	340,335	338,712	1,623	0%	\$ 508,068.00
User Fees and Sundry		1,734	2,916	(1,182)	-41%	61,934	23,335	38,600	165%	\$ 35,000.00
Investment Property Income		172,547	175,117	(2,570)	-1%	1,823,342	1,830,258	(6,916)	0%	\$ 3,100,000.00
Forestry Harvest		1,974	0	1,974	-	1,974	0	1,974	-	\$ 365,825.00
		\$218,797	\$220,372	\$(1,575)	-1%	\$2,227,586	\$2,192,305	\$35,281	2%	\$4,008,893
Expenditure										
Community Representation		\$94,315	\$95,229	\$914	1%	\$767,453	\$781,755	\$14,302	2%	\$1,181,430
Commercial Investments		\$28,767	\$36,643	\$7,876	21%	\$113,325	\$205,729	\$92,404	45%	\$376,136
		\$123,082	\$131,872	\$8,790	7%	\$880,777	\$987,484	\$106,706	11%	\$1,557,566
Net Cost/(Surplus) of Service before extraordinary items		\$(95,715)	\$(88,500)	\$7,215	-8%	\$(1,346,809)	\$(1,204,821)	\$141,988	-12%	\$(2,451,327)
Extraordinary Items										
Loss on sale of Investment Property		0	0	0	-	0	0	0	-	0
Fair Value adjustment of Investment Property		0	0	0	-	0	0	0	-	0
Commission on Sale of Investment Property		0	0	0	-	0	0	0	-	0
Forestry Revaluation		0	0	0	-	0	0	0	-	137,045
		0	0	0	-	0	0	0	-	137,045
Net Cost/(Surplus) of Service after extraordinary items		\$(95,715)	\$(88,500)	\$7,215	-8%	\$(1,346,809)	\$(1,204,821)	\$141,988	-12%	\$(2,588,372)
Capital Expenditure		\$4,782				\$54,298				\$219,237

Revenue**Month results**

User Fees and Sundry revenue is below budget for the month as a result of phasing, and is therefore a timing difference only. All other revenue stream: as forecast.

Year to Date results

User Fees and Sundry is showing a budget surplus for the year to date due to cost recoveries on tenants expenses (rates and insurance for 08/09 and 09/10).

Investment Property Income is tracking to budget.

Expenditure**Month results**

Community Representation is on budget for the month.

Commercial Investments is under budget for the month due to budget phasing of consultants costs.

Year to Date results

Community Representation is showing a favourable variance year to date due to cost savings in Members Salaries as a result of the budget including the salary increase which was subsequently not taken up by members. Full year cost savings arising from this are likely to be approx. \$22k.

Commercial Investments is in a favourable position year to date due to cost savings in forestry expenditure as described last month. The effect of these cost savings on the full year position will be approx. \$80k.

Monthly Report for		February 2010							
Total Regional Information and Engagement	February 2010				YEAR TO DATE				Annual Budget
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									\$0
Rates	\$55,745	\$55,479	\$266	0%	\$445,960	\$443,834	\$2,126	0%	\$665,751
User Fees and Sundry	\$31,500	\$0	\$31,500	100%	\$33,000	\$0	\$33,000	100%	\$0
Grants and Subsidies	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$0
	\$87,245	\$55,479	\$31,766	57%	\$478,960	\$443,834	\$35,126	8%	\$665,751
Expenditure									
Communications	\$87,097	\$83,203	\$(3,894)	-5%	\$625,630	\$731,827	\$106,196	15%	\$1,079,814
Environmental Education	\$37,878	\$22,630	\$(15,248)	-67%	\$233,372	\$187,798	\$(45,574)	-24%	\$311,135
Economic and Environmental Information	\$7,198	\$11,310	\$4,112	36%	\$48,672	\$94,447	\$45,776	48%	\$144,043
	\$132,173	\$117,143	\$(15,030)	-13%	\$907,674	\$1,014,072	\$106,398	10%	\$1,534,992
Net Cost/(Surplus) of Service	\$44,928	\$61,664	\$16,736	27%	\$428,713	\$570,238	\$141,525	25%	\$869,241
Capital Expenditure	\$0				\$1,417				\$17,350

Revenue

Month and Year to Date results

User Fees and Sundry favourable variances are due to unbudgeted funding received from the Enviroschools Foundation to cover the cost of the Enviroschools Co-ordinator. This revenue variance offsets some of the unfavourable expenditure variance below.

Expenditure

Month and Year to Date Results

Communications is close to budget for the month and shows a favourable variance year to date due to the phasing of various Iwi projects and publicity/education promotions costs. These are timing differences only and are expected to come on-stream shortly.

Environmental Education unfavourable variance is due to unbudgeted costs of the Enviroschools Co-ordinator, which is offset by the favourable revenue variance explained above, and an accounting error in the 2008/09 year in relation to payment of a salary that is externally funded, as explained in the November 2009 report. There is no cost to Council as a result of this error.

Economic & Environmental Information continues to show a favourable variance due to a budgeted staff position that has not been filled. It is now likely the budget for this position will be utilised in another area of Council's activities.

Monthly Report for		February 2010							
Total Regional Economic Development	February 2010				YEAR TO DATE				
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	Annual Budget
Revenue									
Rates	102,837	103,504	(667)	-1%	822,696	828,025	(5,329)	-1%	\$ 1,242,038
User Fees and Sundry	0	0	0	-	54,948	0	54,948	100%	\$ -
Grants and Subsidies	0	0	0	-	0	0	0	-	\$ -
Investment Interest Income	0	0	0	-	0	0	0	-	\$ 518,000
Investment Property Income	0	0	0	-	0	0	0	-	\$ -
Forestry Harvest	0	0	0	-	0	0	0	-	\$ -
Dividend Income	0	0	0	-	0	0	0	-	\$ -
	\$102,837	\$103,504	\$(667)	-1%	\$877,644	\$828,025	\$49,619	6%	\$1,760,038
Expenditure									
Regional Growth Programme	\$15,331	\$39,614	\$24,283	61%	\$148,889	\$225,008	\$76,119	34%	\$395,896
Economic Development	\$291,615	\$170,468	\$(121,147)	-71%	\$1,153,496	\$1,044,583	\$(108,913)	-10%	\$2,380,060
	\$306,947	\$210,082	\$(96,865)	-46%	\$1,302,385	\$1,269,591	\$(32,794)	-3%	\$2,775,956
Net Cost/(Surplus) of Service before extraordinary items	\$204,110	\$106,578	\$(97,532)	-92%	\$424,741	\$441,565	\$16,825	4%	\$1,015,918
Extraordinary Items									
Loss on sale of Investment Property	0	0	0	-	0	0	0	-	0
Fair Value adjustment of Investment Property	0	0	0	-	0	0	0	-	0
Commission on Sale of Investment Property	0	0	0	-	0	0	0	-	0
Regional Recreational Facilities Rate	94,560	94,013	547	1%	756,482	752,103	4,379	1%	1,128,155
Regional Events Centre expenditure	(832,439)	(832,450)	(11)	0%	(5,489,470)	(6,341,450)	851,980	-13%	13,000,000
	(737,879)	(738,437)	(558)	0	(4,732,988)	(5,589,347)	856,359	(0)	11,871,845
Net Cost/(Surplus) of Service after extraordinary items	\$941,989	\$845,015	\$(96,974)	-11%	\$5,157,728	\$6,030,912	\$873,184	14%	\$12,887,763
Capital Expenditure	\$0				\$0				

Notes:

- The Economic Development Full Year budget is \$62,500 less than that published in the 2009/2019 LTCCP due to the transfer out of \$45,000 to the Monitoring budget for the fecal study and \$17,500 transferred to Capex for the library refit.

Revenue

Month and Year To Date Results

Revenue for the month and year to date is in line with budget. The \$55k of unbudgeted revenue received relates the funding for the Aquaculture Planning project (\$40k) and the Growth Strategy Project (\$15k), both of which offset expenditure items included below.

Expenditure

Month Results

Regional Growth Programme is underspent for the month due to a staff vacancy which has recently been filled, and budget phasing of consultants costs.

Economic Development unfavourable variance due to higher than budgeted internal interest cost of funding the Regional Events Centre, which is offset by higher than budget interest revenue (being the opportunity cost of this funding) recognised in Support Services, and phasing of consultants costs.

Year to Date Results

Regional Growth Programme shows a favourable variance year to date due to lower than budgeted wages & salaries costs arising from a staff vacancy and budget phasing of printing and stationery costs. This favourable variance is partially offset by higher than budgeted consultants costs which are also as a result of budget phasing and therefore are timing differences only.

Economic Development continues to show a small favourable variance year to date due to a staff member whose salary is partly charged to this activity being on unpaid leave for the first half of the year.

Extraordinary Items

The Regional Events Centre expenditure relates to expenditure incurred towards the construction of the Regional Events Centre.

Monthly Report for		February 2010							
Total Resource Management Planning	February 2010				YEAR TO DATE				Annual Budget
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									
Rates	48,995	48,761	234	0%	391,958	390,089	1,869	0%	\$ 585,133
User Fees and Sundry	0	0	0	100%	14,036	0	14,036	100%	\$ -
	\$48,995	\$48,761	\$234	0%	\$405,994	\$390,089	\$15,905	4%	\$585,133
Expenditure									
Resource Management Planning	\$97,394	\$95,578	\$(1,816)	-2%	\$704,080	\$792,895	\$88,815	11%	\$1,349,116
	\$97,394	\$95,578	\$(1,816)	-2%	\$704,080	\$792,895	\$88,815	11%	\$1,349,116
Net Cost/(Surplus) of Service	\$48,399	\$46,817	\$(2,049)	-4%	\$298,086	\$402,806	\$72,910	18%	\$763,983
Capital Expenditure	\$0				\$0				\$0

Revenue**Month and Year to Date results**

User Fees and Sundry favourable variance is due to funding from the Ministry for the Environment for the Aquaculture project.

This is partially offset by unbudgeted expenditure items relating to this project.

Expenditure**Month and Year to Date results**

Expenditure is close to budget for the month, and below budget for the year to date due to staff vacancies earlier in the year (now filled), and minor budget phasing variances across a number of areas.

Monthly Report for		February 2010							
Total Transport	February 2010				YEAR TO DATE				Annual Budget¹
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									
Rates	54,699	53,918	781	1%	437,390	431,346	6,044	1%	\$647,018
User Fees and Sundry	44,688	52,475	(7,787)	-15%	435,521	419,800	15,721	4%	\$721,879
Grants and Subsidies	102,678	89,521	13,157	15%	678,096	716,168	(38,072)	-5%	\$993,829
	\$202,064	\$195,914	6,150	3%	\$1,551,006	\$1,567,313	(16,307)	-1%	\$2,362,726
Expenditure									
Regional Transport Management	\$36,155	\$36,268	113	0%	\$213,069	\$295,500	\$82,431	28%	\$306,453
Passenger Transport Administration	\$174,330	\$172,934	\$(1,396)	-1%	\$1,382,636	\$1,389,090	\$6,454	0%	\$2,396,905
	\$210,485	\$209,202	\$(1,283)	-1%	\$1,595,705	\$1,684,590	\$88,885	5%	\$2,703,358
Net Cost/(Surplus) of Service	\$8,421	\$13,288	4,867	37%	\$44,698	\$117,276	72,578	62%	\$340,632
Capital Expenditure	\$0				\$0				\$90,000

Notes

1. The Regional Transport Management Budget is \$29,458 over that published in the 2009/19 LTCCP due to the carry over of \$29,458 for the Regional Land Transport Strategy, as approved by the Audit and Finance Committee in August 2009.

Revenue

Month results

User Fees and Sundry shows an unfavourable variance for February due to lower than budgeted bus passenger numbers, resulting in reduced box fare revenue.

Grants & Subsidies is ahead of budget for the month as a result of timing differences in when some areas of subsidy revenue is received.

Year to Date results

User Fees and Sundry is tracking ahead of budget year to date as a result of penalties and super gold card revenue, neither of which were budgeted for.

Grants & Subsidies revenue for the year to date is tracking behind budget due phasing of subsidies from Land Transport New Zealand.

Expenditure

Month results

Regional Transport Management is tracking to budget for the month.

Passenger Transport Admin also comes in close to budget for the month.

Year to Date results

Regional Transport Management shows a favourable variance due to budget phasing of advertising & promotion and consultants costs.

Passenger Transport Administration is showing a favourable variance for the year to date due to budget phasing across a number of areas where costs have not yet come on stream, partially offset by expenditure on contracted works which is currently tracking ahead of budget. These variances are not expected to be evident at year end.

Monthly Report for		February 2010							
Total Consents	February 2010				YEAR TO DATE				Annual Budget
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									
Rates	55,647	55,382	265	0%	445,178	443,055	2,123	0%	\$ 664,582.92
User Fees and Sundry	61,085	56,742	4,343	8%	573,298	453,933	119,365	26%	\$ 680,900.00
	\$116,732	\$112,124	\$4,608	4%	\$1,018,476	\$896,989	\$121,488	14%	\$1,345,483
Expenditure									
Consents Applications	\$92,486	\$97,944	\$5,458	6%	\$949,768	\$862,936	\$(86,831)	-10%	\$1,264,308
Consents Advice and Information	\$73,581	\$73,824	\$243	0%	\$563,886	\$614,740	\$50,854	8%	\$948,891
	\$166,067	\$171,768	\$5,701	3%	\$1,513,654	\$1,477,677	\$(35,977)	-2%	\$2,213,199
Net Cost/(Surplus) of Service	\$49,335	\$59,644	\$10,309	17%	\$495,178	\$580,688	\$85,510	15%	\$867,716
Capital Expenditure	\$0				\$0				\$0

Revenue

Month and Year to Date results

User Fees and Sundry revenue is overbudget for the month and the year to date as a result of increased application fees and cost recoveries arising from the volume and complexity of consents processed this year.

Expenditure

Month Results

Consents Applications shows a favourable variance for the month due to the cost of three staff positions budgeted 50% into this area not currently filled (and are not being actively pursued) and budget phasing across a number of areas including legal fees, consultants and contract/casual staff.

Consents Advice & Information comes in on budget for the month.

Year to Date Results

Consents Applications year to date shows an unfavourable variance due to high consultants costs and daily meeting fees & allowances associated with the increased volume of large applications processed to date. These higher costs year to date are matched by higher revenue (cost recoveries) as explained above. The overspends are partially offset by lower than budgeted wages and salaries costs as a result of unfilled positions, and these are expected to produce cost savings for the full year across the whole Consents activity of approx. \$55k.

Consents Advice & Information continues to show a favourable variance year to date due to the cost savings arising from the unfilled staff positions that are partly budgeted in this cost centre, and budget phasing of legal fees and contract/casual staff.

Monthly Report for		February 2010							
Total Environmental Monitoring	February 2010				YEAR TO DATE				Annual Budget
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									
Rates	127,733	127,124	609	0%	1,021,864	1,016,991	4,873	0%	\$ 1,525,486.44
User Fees and Sundry	52,366	80,793	(28,427)	-35%	1,153,086	1,083,840	69,245	6%	\$ 1,407,008.40
Grants and Subsidies	0	0	0	-	0	0	0	-	\$ -
	\$180,099	\$207,917	\$(27,818)	-13%	\$2,174,949	\$2,100,831	\$74,118	6%	\$2,932,495
Expenditure									
State of the Environment Monitoring	\$149,874	\$153,449	\$3,575	2%	\$1,036,533	\$1,288,228	\$251,695	20%	\$1,905,118
Resource Consent Compliance	\$189,193	\$149,253	\$(39,940)	-27%	\$1,222,509	\$1,227,658	\$5,149	0%	\$1,818,512
Environmental Incidents Response	\$63,918	\$78,899	\$14,981	19%	\$664,556	\$651,798	\$(12,757)	-2%	\$750,342
Hazardous Substances & Contaminated Sites	\$32,353	\$35,548	\$3,195	9%	\$264,989	\$293,305	\$28,316	10%	\$450,281
	\$435,340	\$417,149	\$(18,191)	-4%	\$3,188,586	\$3,460,989	\$272,403	8%	\$4,924,253
Net Cost/(Surplus) of Service									
	\$255,241	\$209,232	\$(46,009)	-22%	\$1,013,637	\$1,360,158	\$346,521	25%	\$1,991,758
Capital Expenditure	\$12,749				\$64,634				\$225,703

Notes

1. The State of Environment Monitoring Full Year Budget is \$45,000 over that published in the 2009/2019 LTCCP due to the transfer in of funds from the Regional Economic Development budget for the fecal study.

Revenue

Month and Year to Date results

User fees and sundry is below budget for the month, offsetting the previous months' favourable variances due to budget phasing, and continues to track ahead of budget year to date as a result of the large number of Farm Dairy Effluent infringement notices and other enforcement action being taken. This is matched by increased consultants costs and legal fees in relation these matters (see explanation below)

Expenditure

Month results

State of the Environment Monitoring shows a favourable variance due to a staff vacancy which has recently been filled, and internal cost recoveries from Hazard Management for the year to date being recognised this month. This offsets an unfavourable variance in Land & Rivers **Resource Consent Compliance** has an unfavourable variance for the month due to the phasing of consultants costs, which are now coming onstream, and the transfer in of legal fees previously recognised in Environmental Incidents Response (ICE). This is offset by the favourable variance for the month in ICE as explained below.

Environmental Incidents Response shows a favourable variance for the month due to the transfer out of legal fees recognised in earlier months to Resource Consent Compliance (RCC). This offsets the unfavourable variance for the month in RCC as explained above.

Hazardous Substances & Contaminated Sites shows a small favourable variance mainly due budget phasing of chemical collection/store costs and reduced salaries and wages costs as a result of changes made in this area.

Year to Date results

State of the Environment Monitoring expenditure is under budget due to staff vacancies in the department for the first six to eight months of the year (both of which have now been filled) and expenditure on consultants and equipment service contract costs not coming on stream as budgeted.

Resource Consent Compliance is tracking close to budget with a minor favourable variance due to timing differences that are expected to even out in future periods, specifically on commercial and air quality testing.

Environmental Incidents Response shows an unfavourable variance due to a coding anomaly in vehicle expenses (the budget for these costs is in State of the Environment Monitoring), and legal fees related to the high level of enforcement action in progress

Hazardous Substances & Contaminated Sites is underspent year to date mainly due to budget phasing of chemical collection/store costs and reduced salaries and wages costs as a result of changes made in that area.

Monthly Report for		February 2010								
		February 2010				YEAR TO DATE				Annual Budget ¹
		Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Total Land and Rivers Revenue										
Rates		250,867	254,323	(3,456)	-1%	2,006,935	2,034,584	(27,649)	-1%	\$ 3,051,875
User Fees and Sundry		0	0	0	-	55,036	0	55,036	-	\$ -
Grants and Subsidies		0	0	0	-	0	0	0	-	\$ 85,000
		\$250,867	\$254,323	\$(3,456)	-1%	\$2,061,970	\$2,034,584	\$27,387	1%	\$3,136,875
Expenditure										
Hazard Management		\$119,477	\$98,608	\$(20,869)	-21%	\$989,859	\$1,065,856	\$75,997	7%	\$1,480,802
River Management		\$78,213	\$81,666	\$3,453	4%	\$565,860	\$527,946	\$(37,915)	-7%	\$721,058
Land and Biodiversity		\$66,634	\$158,551	\$61,429	39%	\$674,173	\$788,911	\$114,738	15%	\$1,427,986
		\$264,324	\$338,825	\$44,013	13%	\$2,229,893	\$2,382,713	\$152,820	6%	\$3,629,846
Net Cost/(Surplus) of Service		\$13,457	\$84,502	\$71,045	84%	\$167,922	\$348,129	\$180,207	52%	\$492,971
Capital Expenditure		\$501				\$1,432				\$96,000

Notes

- The Hazard Management Annual Budget is \$151,006 over that published in the 2009/19 LTCCP due to the carry over of \$151,006 for the Priority Rivers Project, as approved by the Audit and Finance Committee in August 2009, and additional expenditure on the Priority Rivers Project of \$339,330 approved by the Audit and Finance Committee in February 2010.
- The River Management Full Year Budget is \$156,800 over that published in the 2009/19 LTCCP due to additional expenditure on the Awanui River Scheme works of \$156,800 approved by the Audit and Finance Committee in October 2009.

Revenue

Month and Year to Date results

User Fees & Sundry favourable variance year to date is \$50k of funding received from DOC in the 2008/09 year, to be spent on regional biodiversity this financial year.

Expenditure

Month results

Hazard Management unfavourable variance is due to the recognition this month of internal recharges for the year to date for Hydrology work, and is therefore a timing difference only. This is offset by a favourable variance in Monitoring (State of the Environment) for the month.

River Management is underspent for the month due to the phasing of stopbanks and river schemes expenses.

Land & Biodiversity favourable variance is due to budget phasing of payments for Environment Fund projects and is a timing difference only.

Year to Date results

Hazard Management favourable variance is due a number of budget phasing differences, particularly in consultants. Expenditure is expected to pick up over the coming months.

River Management expenditure is ahead of budget year to date due to the phasing of stopbanks and river schemes, consultants and legal fees which have come on-stream over the summer months, but were phased evenly across the year for budget purposes.

Land & Biodiversity is underspent year to date due to budget phasing, particularly Environment Fund projects and consultants. These costs are expected to pick up in the remaining months of the financial year and this variance is a timing difference only.

Monthly Report for		February 2010								
		February 2010				YEAR TO DATE				
		Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	Annual Budget
Total Biosecurity Revenue										
	Rates	120,854	121,180	(326)	0%	966,830	969,443	(2,612)	0%	\$ 1,454,164.00
	User Fees and Sundry	6,942	85,750	(78,808)	-92%	191,216	203,000	(11,784)	-6%	\$ 379,164.00
	Grants and Subsidies	0	0	0	-	0	0	0	-	\$ -
		\$127,796	\$206,930	\$(79,134)	-38%	\$1,158,046	\$1,172,443	\$(14,397)	-1%	\$1,833,328
Expenditure										
	Biosecurity	\$167,863	\$268,615	\$100,752	38%	\$1,204,086	\$1,415,855	\$211,769	15%	\$2,306,934
		\$167,863	\$268,615	\$100,752	38%	\$1,204,086	\$1,415,855	\$211,769	15%	\$2,306,934
Net Cost/(Surplus) of Service		\$40,067	\$61,685	\$21,618	35%	\$46,040	\$243,412	\$197,372	81%	\$473,606
Capital Expenditure		\$9,671				\$14,220				\$62,000

Revenue**Month and Year to Date results**

User Fees and Sundry unfavourable variance arises due to the budget phasing of reimbursements received from MAFBNZ for the Manchurian Wild Rice programme, and is therefore a timing difference only.

Expenditure**Month and Year to Date results**

Biosecurity expenditure is tracking behind budget for the month and the year to date due to pest contracts not yet coming on-stream as agreements have not been finalised with various community groups, and a delay in weed-led control projects meaning contractors have not yet been appointed. It is expected this work will come on-stream and the budget expended by the end of the year.

Monthly Report for		February 2010								
		February 2010				YEAR TO DATE				
		Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	Annual Budget
Total Emergency Management Revenue										
	Rates	12,548	12,581	(33)	0%	100,381	100,652	(272)	0%	\$ 150,978.00
	User Fees and Sundry	713	0	713	-	713	0	713	-	\$ -
	Grants and Subsidies	0	0	0	-	0	10,000	(10,000)	-100%	\$ 10,000.00
	Investment Interest Income	0	0	0	-	0	0	0	-	\$ -
	Investment Property Income	0	0	0	-	0	0	0	-	\$ -
	Forestry Harvest	0	0	0	-	0	0	0	-	\$ -
	Dividend Income	0	0	0	-	0	0	0	-	\$ -
		\$13,260	\$12,581	\$679	5%	\$101,093	\$110,652	\$(9,559)	-9%	\$160,978
Expenditure										
	Emergency Management	\$16,868	\$16,719	\$(149)	-1%	\$121,250	\$138,511	\$17,261	12%	\$210,150
		\$16,868	\$16,719	\$(149)	-1%	\$121,250	\$138,511	\$17,261	12%	\$210,150
Net Cost/(Surplus) of Service		\$3,608	\$4,138	\$530	13%	\$20,157	\$27,859	\$7,702	28%	\$49,172
Capital Expenditure		\$0				\$0				

Revenue

Month and Year To Date results

Grants & Subsidies unfavourable variance is due to the phasing of cost recoveries from the Ministry of Civil Defence, and is a timing difference only. This is in line with the favourable variance in expenditure below.

Expenditure

Year To Date results

Emergency Management is tracking to budget for the month and is underspent year to date due to the budget phasing of consultants costs, which are expected to come on-stream later in the year.

Monthly Report for		February 2010							
		February 2010				YEAR TO DATE			
Total Maritime Operations	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	Annual Budget
Revenue									
Rates	33,065	32,910	155	0%	264,520	263,288	1,232	0%	\$ 394,931
User Fees and Sundry	90,816	98,636	(7,820)	-8%	610,506	413,362	197,144	24%	\$ 574,515
Grants and Subsidies	0	0	0	-	47,293	64,414	(17,121)	-27%	\$ 114,489
	\$123,881	\$131,546	\$(7,665)	-6%	\$928,319	\$741,063	\$181,255	6%	\$1,083,936
Expenditure									
Oil Pollution Response	\$10,794	\$9,682	\$(1,112)	-11%	\$89,107	\$95,718	\$6,611	7%	\$148,950
Harbour Safety & Navigation	\$105,798	\$109,988	\$4,190	4%	\$782,926	\$840,685	\$57,759	7%	\$1,292,826
	\$116,592	\$119,670	\$3,078	3%	\$872,033	\$936,403	\$64,370	7%	\$1,441,776
Net Cost/(Surplus) of Service	\$(7,288)	\$(11,876)	\$(4,588)	39%	\$(56,285)	\$195,340	\$245,625	126%	\$357,840
Extraordinary Items									
Gain/(Loss) on Sale of Assets	\$0	\$0	\$0	0%	\$41,650	\$0	\$41,650	-	\$0
	\$0	\$0	\$0	0%	\$41,650	\$0	\$41,650	\$0	\$0
Net Cost/(Surplus) of Service after extraordinary items	\$(7,288)	\$(11,876)	\$(4,588)	39%	\$(97,935)	\$195,340	\$287,275	147%	\$357,840
Capital Expenditure	\$26,683				\$68,115				\$56,600

Notes

1. The Harbour Safety and Navigation Full Year budget is \$30,000 less than that published in the 2009/2019 LTCCP due to a transfer to capital expenditure budgets for navigation aids, specifically lights, approved by the Audit and Finance Committee in February 2010.

Revenue

Month results

User fees and Sundry is marginally behind budget due to phasing of some income streams, and is a timing difference only.

Grants & Subsidies unfavourable variance for the month is due to budget phasing of Maritime Transport Oil subsidy, and is expected to be in line with budget by the end of the year.

Year To Date results

User fees and Sundry is tracking ahead of budget due to Navigation Bylaw Fees and Hatea River Channel Funding being invoiced early in the year (phasing variances), additional revenue (unbudgeted) from chartering out the "Waikare", and insurance proceeds received for two navigation aids (offsets unbudgeted capital expenditure).

Grants and Subsidies unfavourable variance is due to timing of Maritime Transport - Oil subsidies received, and is expected to even out as the year progresses.

Expenditure

Month and Year To Date results

Oil Pollution Response is marginally over budget for the month due to phasing, and is tracking behind budget for the year to date due to savings in overtime, and budget phasing of oil spill control / management costs which will come onstream over the remaining months of the financial year

Harbour & Safety Navigation expenses are below budget for the month and the year to date due to cost savings in overtime, and the phasing of pilotage, vessel maintenance and buoys and beacons costs.

Extraordinary Items

Month and Year to Date results

In July 2009 NorthPort Ltd vested thirteen navigation aids at Kioreroa Reach to the Council at a value of \$41,650. This is shown as extraordinary revenue.

Monthly Report for		February 2010							
Total Support Services	February 2010				YEAR TO DATE				Annual Budget
	Actual	Budget	Variance	Var %	YTD Actual	YTD Budget	Variance	Var %	
Revenue									
Rates	0	0	0	-	32,044	0	32,044	-	\$ -
User Fees and Sundry	0	0	0	-	2,623	0	2,623	-	\$ -
Grants and Subsidies	0	0	0	-	0	0	0	-	\$ -
Investment Interest Income	185,148	237,661	(52,513)	-22%	1,599,161	1,901,286	(302,125)	-16%	\$ 2,851,929.00
Investment Property Income	0	0	0	-	0	0	0	-	\$ -
Forestry Harvest	0	0	0	-	0	0	0	-	\$ -
Dividend Income	0	0	0	-	664,887	683,856	(18,969)	-3%	\$ 1,367,712.00
	\$185,148	\$237,661	\$(52,513)	-22%	\$2,298,715	\$2,585,142	\$(286,427)	-11%	\$4,219,641
Expenditure									
Finance & Information Services	\$262,919	\$259,503	\$(3,416)	-1%	\$1,976,743	\$2,180,417	\$203,674	9%	\$3,367,443
Human Resources	\$23,352	\$25,288	\$1,936	8%	\$230,052	\$228,584	\$(1,468)	-1%	\$316,007
Other Support	\$203,204	\$65,884	\$(137,320)	-208%	\$841,792	\$724,262	\$(117,530)	-16%	\$995,797
Internal recharges	\$(489,474)	\$(383,191)	\$106,284	-28%	\$(3,048,586)	\$(3,123,419)	\$(74,833)	2%	\$(4,679,497)
	\$(0)	\$(32,516)	\$(32,515)	0%	\$(0)	\$9,844	\$9,844	100%	\$(250)
Net Cost/(Surplus) of Service before extraordinary items	\$(185,148)	\$(270,177)	\$(85,028)	31%	\$(2,298,715)	\$(2,575,298)	\$(276,583)	11%	\$(4,219,891)
Extraordinary Items									
Special Dividend	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$0
Tax on Special Dividend	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$0
Sales of shares	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$0
	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$0
Net Cost/(Surplus) of Service after extraordinary items	\$(185,148)	\$(270,177)	\$(85,028)	31%	\$(2,298,715)	\$(2,575,298)	\$(276,583)	11%	\$(4,219,891)
Capital Expenditure	\$903,987				\$1,398,510				\$3,233,549

Revenue**Month results**

Investment Interest Income unfavourable variance is due to the downturn in interest rates available (average of 4.6%) compared to projections (7%).

Year to Date results

Rates favourable variance represents revenue from penalties.

Investment Interest Income monthly interest revenue patterns also reflect in year to date results.

Dividend Income unfavourable variance is due to a lower dividend rate payout by Northland Port Corporation than budgeted.

Expenditure**Month results**

Finance & Information Services shows a small unfavourable variance due to budget phasing.

Human Resources is marginally under budget for the month.

Other Support unfavourable variance for the month is due to a call on funds made by RiskPool for the next three financial years. The amount is \$44,719 per year, or \$134K in total. Risk Pool is a mutual fund comprising a number of Councils. Risk Pool was established to provide Local Government insurance in areas where private insurance either did not exist or was prohibitively expensive. As a result of RiskPool paying out on weather tightness claims, a call has been made on all members to fund the shortfall. A separate paper will be presented to the March Audit and Finance meeting on this matter. To be prudent the full liability is recognised at this time.

Year To Date results

Finance & Information Services favourable variance is due to an underspend on telephone rentals and is likely to result in a permanent cost savings for the year, and the phasing of some budgets, particularly legal fees and audit fees.

Human Resources year to date is tracking close to budget.

Other Support also shows an unfavourable variance for the year to date due to the RiskPool calls provided for, as explained above.

Investment Schedule and Performance – Financial Report 28 February 2010

File C4.12

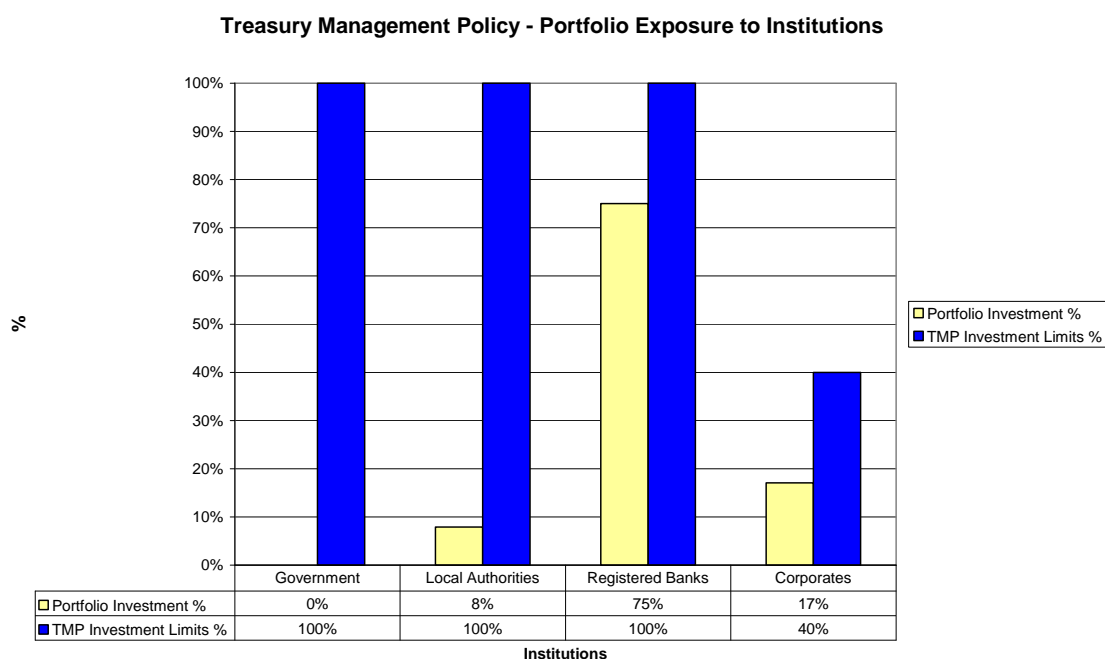
Report from Financial Systems Administrator Kym Ace dated 3 March 2010.

PURPOSE

This report provides a summary of investment performance for the eight month period ending 28 February 2010 and to report compliance against the investment policy. The investment policy is a requirement of section 102(4)(a) of the Local Government Act. The investment policy was adopted as part of the 2009-2019 Long Term Council Community Plan.

INVESTMENT OF CASH AND STOCK/BONDS

The graph below graphically illustrates Council's investment of cash and stock/bonds against the limits set out in the investment policy. Council's investment complies with the investment policy.



CREDIT RATING OF INVESTMENT COUNTERPARTIES

Under Council's Treasury Management Policy (TMP) section 5.3 allows investments to be made in accordance with the following counterparty/issuer:

Counterparty/Issuer	Minimum long term / short term credit rating – stated and possible	Investments maximum per counterparty (\$m)	Interest rate risk management instrument maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	unlimited	none	Unlimited
NZD Registered Supranationals	AAA	20.0	none	20.0
State Owned Enterprises [name]	A-/ A2	5.0	none	5.0
NZ Registered Bank [name]	A-/ A2	20.0	10.0	30.0

Corporate Bonds/ CP [names]*	A-/ A2	2.0	none	2.0
Local Government Stock/ Bonds/ FRN/ CP [name]**	A-/ A2 (if rated) Unrated	20.0 5.0	none none	20.0 5.0

- *Subject to a maximum exposure no greater than 20% of the NFIP being invested in corporate debt securities at any one point in time.
- ** Subject to a maximum exposure no greater than 60% of the NFIP being invested in Local Government debt at any one point in time

This summary list will be expanded on a counterparty named basis which will be authorised by the CEO

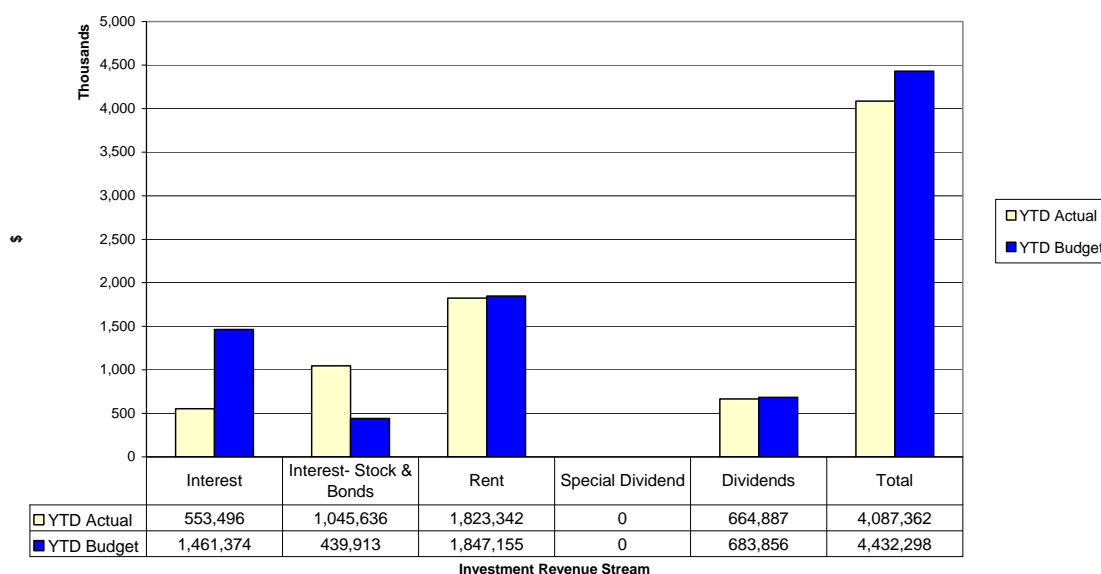
Council currently holds three investments with the same counterparty which are not provided with a credit rating. Council is maintaining a watching brief over these investments and intends to hold these investments to maturity.

FINANCIAL YEAR TO DATE PERFORMANCE

Year to date, the investment portfolio has made a return of \$4,087,362 against a budgeted return of \$4,432,298. Investment interest includes \$188,930 of internal interest. On call funds are currently earning a return of 3.15% and short term deposits between 4.00 and 4.90%.

The breakdown of the year to date return by investment revenue stream is as follows:

Fund Performance against Budget



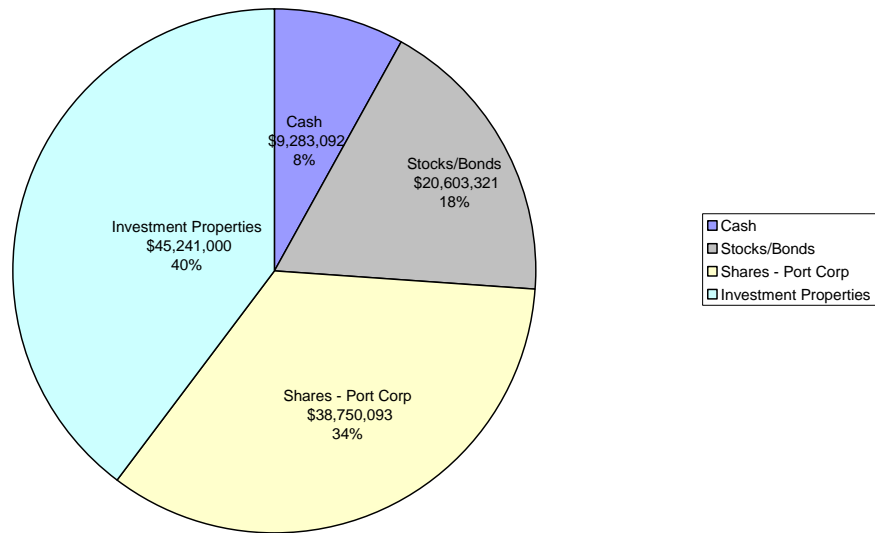
PORTFOLIO OF TOTAL FUNDS

The total value of the investment portfolio as at 28 February is \$113,877,506 and is comprised of:

- Cash \$ 9,283,092
- Stocks/bonds \$ 20,603,321
- Shares – Port Corp* \$ 38,750,093
- Investment Properties \$ 45,241,000

* Northland Regional Council holds 22,142,910 shares in Northland Port Corporation (NZ) Limited. The cost value of these shares is \$7,827,563. As at 30 June 2009, the market price of these shares was \$2.12. As at 28 February 2010, the market price is \$1.75.

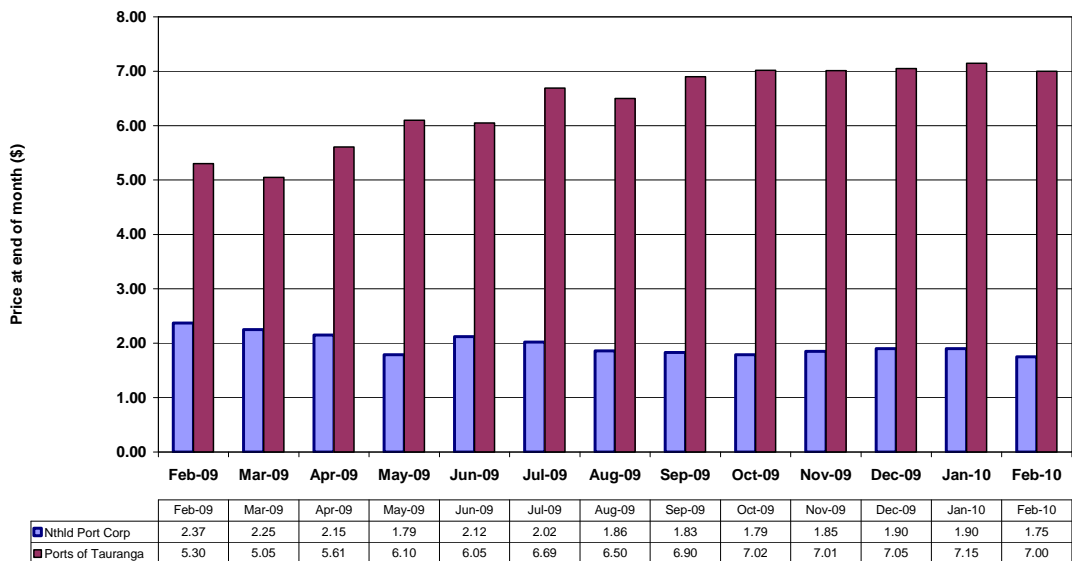
Portfolio of Total Funds



NORTHLAND PORT CORPORATION SHARE PRICE MOVEMENT

The graph below graphically illustrates the movement in the Northland Port Corporation’s share price in the current financial year. Share price data for the Ports of Tauranga has been provided for comparative or benchmarking purposes.

Northland Port Corporation Share Price Movement compared to Ports of Tauranga



2009/2010

Recommendation

That the Investment Schedule and Performance Financial Report to 28 February 2010 from Financial Systems Administrator Kym Ace dated 3 March 2010 be received.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are in accordance with the Council's Treasury Management Policy which was adopted in compliance with the decision-making requirements of sections 76-82 of the Local Government Act 2002.

Paid Accounts for Approval

File C4.30

Report from Payments Officer, Rachel Hills dated 28 February 2010.

Set out below is the summary of expenditure that was approved and paid during February 2010.

Northland Regional Council General Account

Direct Debits	vouchers 101237 - 101252	\$2,879,243.18
Computer Cheques	vouchers 19988 – 19998	\$4,801.10
Direct Credits	vouchers 1025072 - 1025347	\$1,870,244.57
Payroll Transactions		\$753,939.93
Total		\$5,508,228.78

Analyses of Expenditure Classes

Labour costs	\$753,939.93
Operating costs	\$1,850,167.71
Capital Expenditure	\$94,121.14
Call/Term deposits/Investments	\$2,810,000.00
Total	\$5,508,228.78

The vouchers are available for inspection if required.

This report is tabled in terms of the Council's delegation policy made pursuant to the Public Bodies Contracts Act 1959.

Recommendation

That the report from the Payments Officer, Rachel Hills dated 28 February 2010 be received and the payments for February 2010 be confirmed.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Northland Community Plan 2009-2019, and as such are in accordance with the Council's decision making process and Sections 76-82 of the Local Government Act 2002, and the requirements of the Public Bodies Contracts Act 1959.

Lease Transactions

Files: L052, L021

Report from General Manager Finance and IT, Lisa Aubrey dated 4 March 2010.

The following lease transactions were processed and executed under seal of Council during the past month:

File	L052	Deed of Sub-lease – Entrance Properties Limited to Resene Santano Limited – 65 Hannah Street, Whangarei.
File	L021	Deed of Sub-lease – WG Bishop Trust to Royal New Zealand Society for the Prevention of Cruelty to Animals Whangarei Branch Inc. – 26B Port Road, Whangarei.

Recommendation

That the lease transactions and the use of the Council seal outlined in the report from the General Manager Finance and IT, Lisa Aubrey dated 4 March 2010, be approved.

COMPLIANCE WITH DECISION MAKING PROCESS

The documents for sealing contained within this report are in accordance with the Council's Treasury Management Policy which was adopted in compliance with the decision making requirements of Sections 76 to 82 of the Local Government Act 2002 and the execution of the seal is part of the Council's day to day operations and as such is provided in the Council's 2009-2019 Long Term Council Community Plan.

Documents Sealed

E5.25.1

Report from Council Administration Programme Manager dated 1 March 2010.

The following documents were executed under seal of Council during the past month:

File	E5.25.1	Deed of Grant of Funds (CON-636) – National Biodiversity Condition Fund.
File	E5.25.1	Deed of Grant of Funds (CON-662) – National Biodiversity Condition Fund.
File	8385(11&12)	Approval of digital survey plan LT 426936 pursuant to s245(5) of the RMA – Far North Holdings Ltd

Recommendation

That the use of the Council seal outlined in the report from the Council Administration Programme Manager dated 24 February 2010, be approved.

COMPLIANCE WITH DECISION MAKING PROCESS

The documents for sealing contained within this report are in accordance with the Council's Treasury Management Policy which was adopted in compliance with the decision making requirements of Sections 76 to 82 of the Local Government Act 2002 and the execution of the seal is part of the Council's day to day operations and as such is provided in the Council's 2009-2019 Long Term Council Community Plan.

Consents Decisions, Notified Applications in Process, Objections and Appeals

File E2.1

Report from Consents Senior Programme Manager Dr Rob Lieffering, dated 1 March 2010.

The Consents Senior Programme Manager's report on resource consent decisions made since 1 February 2010 is circulated to Councillors under separate cover. Progress on notified applications, objections, and appeals is as set out in the following tables:

NOTIFIED APPLICATIONS

Publicly Notified

Applicant	Proposal	Notification Period	Comment
Far North District Council CON20070283501 CON20070283601 CON20071912101	Kaitaia Public Water Supply	9 August to 7 September 2007	Processing placed on hold at the applicant's request to allow further consultation. Applicant has indicated that it has the approval of the only submitter. Awaiting written confirmation of this prior to drafting consent conditions for circulation.
Far North District Council CON20080257701	Replacement consents for Rawene WWTP	13 August to 9 September 2008	Investigation into alternatives completed and recommendations going to FNDC March Council meeting for approval prior to being sent to the NRC. Once received, discussions will be held on the way forward.
Whangarei District Council CON20010752101 CON20080752102	Replacement consent for sewage overflows from Okara Park Pump station. New application for sewage overflow into Waiarohia Stream	28 October to 25 November 2008	As a result of upgrades to the Okara Park Pump Station, the applicant has advised the NRC that it wishes to withdraw its (new) application for a discharge to Waiarohia Stream and to amend its Okara Park Pump Station discharge application to only allow discharges to occur "from time to time". The exact details of this amended application are not yet available. The applicant has also requested that a pre-hearing meeting be held with submitters to discuss this application and the Section 127 application for a change to the Whangarei WWTP consent to allow an increase in the wet weather discharge volume (CON20090435202 below). It is expected that a joint hearing

Applicant	Proposal	Notification Period	Comment
			will be held for these two applications as soon as possible.
Golden Bay Cement Limited CON20080505901	Replacement consents for various water takes, stormwater and contaminant discharges at the Portland site	12 January to 11 February 2009	No submissions received. Currently in discussions with the applicant regarding draft conditions for all activities.
Kaipara District Council 20090110201	Wastewater treatment and disposal system servicing Te Kopuru	26 February to 25 March 2009	The applicant has provided comments on draft recommendations. NRC to circulate to submitters for their comment and agreement. It is expected that a decision will be able to be made without a formal hearing.
Whangarei District Council CON20090435202	Change to condition 16 to allow increase in volume of wastewater discharged from Whangarei WWTP during "extreme wet weather"	17 December 2009 to 4 February 2010	128 Submissions in total: 49 heard plus 1 late heard; 63 not heard; 14 not indicating. The Applicant advised that it wishes to hold a pre-hearing meeting to discuss this and the Okara Park Pump Station application with Heard submitters. It is expected that a joint hearing will be held for these two applications as soon as possible.
Whangarei District Council CON20102496401	New bridge across the Hatea River and associated roading	27 February to 26 March 2010	

Limited Notified

Applicant	Proposal	Notification Period	Comment
Fonterra Co-op Ltd CON20060437319	Condensate discharges from Kauri site to Wairua River	4 October to 7 November 2007	One submission received against proposal. Applicant given a time extension to attempt resolution of issues raised and investigate re-use of condensate. The Applicant has been contacted regarding the results of the investigation and the NRC has been assured that the information should be provided in the near future.

PRE-HEARING MEETINGS

Applicant	Proposal	Held	Outcome
Whangarei District Council CON20060257601	Replacement Ngunguru sewerage discharge consents	Pre-hearing held 13 December 2006	Draft recommendations circulated to heard submitter for their consideration. Hearing is not expected to be required.
Explore NZ (2004) Limited CON20071904701	Proposed jetty in Hahangarua Bay, Moturua Island	31 October 2007	Applicant commissioning Historic Values Assessment and conducting further discussions with Ngati Kuta hapu. Applicant has been contacted to confirm whether it wishes to proceed with or withdraw application.
AFFCO Moerewa CON20070738112	Activities resulting from inclusion of a proposed milk powder plant at Moerewa	4 February 2009	NRC now in a position to draft recommendations for the applicant to provide comment on. There is likely to be further discussion relating to when irrigation to land will cease and discharge to water will commence. Once the applicant and the NRC have agreed to the draft recommendations, they will be circulated to the submitters. It is hopeful that a decision can be made without the requirement for formal hearing.
Fonterra Co-op Ltd CON20090437315	Change to conditions to allow a discharge of treated wastewater to the Wairua River at lower flows	6 October 2009	Decision to grant consent issued under delegated authority on 5 March 2010.

HEARINGS

Applicant	Proposal	Date of Hearing	Decision Issued/Comment
J C W Robinson CON20060788201	Section 128 Review of quarrying consent conditions	Postponed to allow Consent Holder to review technical report	Confirmation of purchase of affected property received. Staff re-assessing the need for review of conditions.
Marine Farms transferred under Aquaculture Reform Act 2004 (ARA)	Review of consent conditions under Sections 10 and 20 of the ARA	6 April 2009 – reconvened on 13 July 2009 and 30 July 2009	Interim decision issued 20 August 2009. NRC have advised the Hearings Committee that imposition of a bond is the only option favoured. Final decision due shortly.

Applicant	Proposal	Date of Hearing	Decision Issued/Comment
Orange Centre Limited CON20071987601	Visitor centre, including accommodation and service station, SH 10 Kerikeri		Hearing postponed again so that the applicant can address major issues raised in both Council staff reports.
Zodiac Holdings Limited CON20090461102	New consent to take groundwater for water bottling plant at Poroti	29 January 2010	Decision to grant consent issued 22 February 2010.
Whangarei District Council CON20092348704	WDC One Tree Point Erosion Control	19 February 2010	Hearing held, decision due to be issued shortly.
Kerikeri Falls Investment Limited CON20071928901	Sewage, stormwater, and earthworks associated with a proposed Country Club complex, Rainbow Falls Road, Kerikeri	Joint Plan Change, FNDC/NRC Consent Hearing 2-5 March 2010	
Borneo Investments Limited CON20082022101	Sewage associated with proposed 54 residential unit development, including clubhouse and recreational building, Cobham Road, Kerikeri	Joint Plan Change, FNDC/NRC Consent Hearing 9-10 March 2010	
D McConnell CON20090192001	Proposed swing mooring in Omakiwi Cove, Bay of Islands	Hearing scheduled for 12 March 2010	
Whangarei District Council CON20092330601	Rock revetment at Helena Bay	Hearing scheduled for 12 March 2010.	
Far North Holdings Limited CON20080838526	18 pile mooring berth extension to Opuia Marina	Hearing being arranged for late April.	

APPEALS/OBJECTIONS

Applicant	Proposal	Progress
Advance Developments Ltd CON20061540301	Subdivision earthworks at Tutukaka	Environment Court Consent Order issued on 4 February 2010.
Far North District Council CON20070757701	Renewal of consent to take groundwater for public water supply at Kaikohe	Objection to consent condition met by postponing hearing to coincide with renewal applications for other public groundwater takes at Kaikohe.
Pouto Farms Limited CON2008215801	Flood protection works at Kaihu River	Objection to decision to return application documents as incomplete but the applicant still seeking stay of hearing, pending receipt of flood model data to enable completion of application detail.

Applicant	Proposal	Progress
O B Holdings Ltd CON20041213701	Earthworks for 4.5 km access road for 40 lot subdivision at Cove Road, Langs Beach	Environment Court hearings set for 22 March 2010.
Crest Energy Kaipara Limited CON20061607601	Proposed tidal power generation in Kaipara Harbour entrance	Environment Court Interim Decision issued 22 December 2009. Further information required by the Court.
Far North District Council Bay of Islands Community Wastewater Scheme CON20060110804	Expansion of Paihia WWTP to receive and treat additional wastewater from Kerikeri, Waipapa, Waitangi, and Russell if necessary	Expert Conferral scheduled in Auckland, 22 March 2010.
Far North Holdings Limited CON20060545411	Proposed waterfront redevelopment at Paihia	Appeals resolved with all but one Section 274 party.
KiwiRail CON20071988401	Oakleigh to Marsden Point Rail Link	KiwiRail has objected to the costs of both the Whangarei District Council and the Northland Regional Council: discussion with the applicant to occur upon final invoices from both councils.
		Goldpine Industries Limited has appealed the NRC decisions (but not the RCA recommendation). Goldpine considers that the rail corridor will split their working farm in half and this will result in losses in efficiencies.
		KiwiRail has appealed the NRC's decisions and recommendation on the RCA. It is in general support of the decision but has concerns regarding a number of the conditions imposed. Mighty River Power is a Section 274 party to this appeal.
Neil Construction Limited CON20082200401	Proposed 179 lot residential subdivision, Kapiro and Redcliff Roads, Kerikeri	Draft Consent Order resolving appeal has been filed with the Court for the Judge's consideration. Court has delayed issuing Consent Order until appeal on District Council decision has been dealt with.
Far North District Council CON200404369 (01-02) CON200407356 (01-08)	Consents associated with water supply for Omapere/Opononi. Existing water takes from Waitemarama Stream and dam on Waiarohia Stream.	Applicant has reached a tentative agreement with Pakanae Hapu Management Committee to resolve its appeal, and the NRC and applicant are confident of resolving the applicant's appeal. Main outstanding matter is resolving Section 274 parties' issues with regard to downstream water quality for their use of this water.
North Holdings Limited CON20082038401	Construction and operation of a wastewater treatment wetland, Ruakaka	Three appeals against decision. All parties have requested formal mediation by the Court. Informal mediation meeting held between the applicant, NRC and NIWA to discuss NIWA appeal. NIWA to provide additional info to applicant for consideration. Still awaiting formal mediation date.

Recommendation

That the report from the Consents Senior Programme Manager Dr Rob Lieffering, dated 1 March 2010, on resource consent decisions and applications in process, be received.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009/2019 LTCCP, and as such are in accordance with the Council's decision-making process and sections 76-82 of the Local Government Act 2002.

CONSENTS DECISIONS AND APPLICATIONS IN PROCESS.DOC

Appointment of Hearings Committee

File D2.13

Report from the Consents Senior Programme Manager Dr Robert Lieffering dated 3 March 2010.

DELEGATION TO HEAR AND DECIDE RESOURCE CONSENT APPLICATIONS

A Hearings Committee is required for the following resource consent application:

Application **CON20092468701** lodged by the **Culham Engineering Company Limited** which seeks authorisation for an existing reclamation at Hewlett Street, Whangarei. As the reclamation is a restricted coastal activity (RCA), one councillor, together with the person required to be nominated by the Minister of Conservation (in accordance with Section 117(7) of the Resource Management Act 1991), is recommended to hear and decide this application. The Minister of Conservation, through the Department of Conservation, has advised that his nominee for this application will be Mr Timothy Grove.

In discussion with the Chairperson of the Hearings Committee (Cr Hill), it is recommended that Cr Farnsworth and Mr Grove be appointed to hear and decide this application with Cr Farnsworth being the Chairperson of the Committee.

Recommendation

That pursuant to Section 34A(1) of the Resource Management Act 1991, Cr Farnsworth, acting as Chairperson, and Mr Timothy Grove, as the Minister of Conservation's nominee, be delegated to hear and decide resource consent application **CON20092468701** lodged by the **Culham Engineering Company Limited** for a reclamation at Hewlett Street, Whangarei.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2006/2016 LTCCP, and in accordance with the Council's statutory delegations approved in July 2004. As such they are in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

Warrants of Appointment: Resource Management Act 1991

File: C1.3, C6.2

Report from Operations Director Tony Phipps dated 4 February 2010.

PURPOSE

To delegate authority and authorise the issuing of warrants of appointment under the Resource Management Act 1991 to officers within Operations directorate.

INTRODUCTION

This report is a standard report recommending that the Council delegate powers, responsibilities and duties and issue appropriate warrants under the above Act. All recommendations are in accordance with Council policy.

Currently no one in the Coastal Monitoring team has the authority to issue infringement notices under section 343(c) of the Act. The following officer meets the requirements and has the appropriate skills required to exercise the necessary powers, duties and responsibilities to carry out this responsibility:

Jacqueline Reed Monitoring Programme Manager - Coastal

CONCLUSION

The above officer has the appropriate skills required to perform the powers, duties and responsibilities recommended in this report. Therefore the Council is asked to delegate authority and authorise the issuing of a warrant of appointment under the Resource Management Act 1991.

Recommendation

1. That the report Warrants of Appointment: Resource Management Act 1991 from the Operations Director Tony Phipps dated 4 February 2010, be received.
2. That authority is delegated under section 343(c) of the Resource Management Act 1991 and an appropriate warrant of appointment issued to:

Jacqueline Reed Monitoring Programme Manager - Coastal

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are provided for in the Council's 2009-2019 Long Term Council Community Plan and as such are in accordance with the Council's decision-making process and sections 76 to 82 of the Local Government Act 2002.

Regional Transport Committee Hearings Committee – Delegation to Regional Transport Committee Chairman File T2.6

Report from Ken Paterson Chief Executive Officer dated 10 March 2010.

PURPOSE

To provide the Regional Transport Committee (RTC) Chairman with the ability to appoint additional RTC members to the hearings committee who are hearing submissions on the Draft 30 Year Transport Strategy.

BACKGROUND

The RTC publicly notified the Draft 30 Year Transport Strategy on 18 January 2010 and has received 216 submissions. The hearings are being held over two days with the first day in Whangarei on Tuesday, 23 March and the second day in Rawene on Thursday, 25 March.

At the December 2009 RTC meeting the following was passed in regard to the hearings committee members:

That the Hearings Committee for the Regional Land Transport Strategy comprise the Chairman of the Regional Land Transport Committee, together with Mr Alspach and Mr Westgate, and that the Chairman be authorised to appoint Cr Carr should the level of submissions indicate the need to do so.

Subsequent to the hearings committee being established, the Far North District Council representative on the RTC (David Edmunds) has requested to be involved in the hearing process. There will not be another meeting of the RTC before the hearings so it is not possible for the RTC to reconsider the members of the hearing committee. Therefore it is requested that the Chairman of the RTC, Cr John Bain be given delegated authority to appoint additional members of the RTC to the hearings committee as he considers appropriate.

Recommendation

1. That the Council receives the report "Regional Transport Committee Hearings Panel - Delegation to Regional Transport Committee Chairman" from the Chief Executive Officer dated 10 March 2010.
2. That the Council resolves to delegate to the RTC Chairman, Cr John Bain, the ability to appoint additional RTC members to the hearings committee for the 30 Year Transport Strategy as the RTC Chairman considers appropriate.

COMPLIANCE WITH DECISION MAKING PROCESS

The activities detailed in this report are part of the Council's day to day operations. As such they are provided for in the Council's 2009-2019 Long Term Council Community Plan and are in accordance with the Council's decision making process and sections 76-82 of the Local Government Act 2002.

NORTHLAND REGIONAL COUNCIL AUDIT AND FINANCE COMMITTEE

Minutes of a Meeting of the Audit and Finance Committee held in the Council Chambers, Northland Regional Council, 36 Water Street, Whangarei, on Wednesday, 17 February 2010 commencing at 3.10pm

File D2.10

Present:

Cr Jensen, Chairman
Cr J Bain
Cr C Brown
Cr B Rossiter
Cr I Walker
Cr M Farnsworth (ex-officio)

Also Present:

Cr J Carr
Cr L Hill
Ms J Douglas, Enterprise Northland
Ms N Metz, Destination Northland

In Attendance:

Chief Executive Officer
General Manager Projects and Information
General Manager Finance & IT
Strategy and Planning Director
Land/Rivers Senior Programme Manager
Maritime Senior Programme Manager
Council Administration Programme Manager

Declaration of Conflicts of Interests:

The Chairman gave members the opportunity to declare an interest on any item of business on the agenda for the meeting. Cr Bain declared an interest in item 9 Helicopter Funding.

Items of New Business

Moved (Rossiter/Bain)

That the Committee agrees to consider the following items of new business for the reasons shown:

OPEN MEETING

1. Arts Promotion Trust – Quarterly Report

The report advised that this further information will be tabled at the meeting.

This item provides additional information to Item 4 page 15 already contained in the Agenda.

2. Financial Performance – Variance Reporting to 31 January 2010

Due to the Audit and Finance Committee meeting being brought forward a week; the information was not available at the time the Agenda was produced.

The reason for urgency in respect to this item is that it was not received until after the February Audit and Finance agenda was printed and is relevant to this month.

Carried

1. Confirmation of Minutes of the Audit and Finance Committee Meeting held on 28 October 2009

File D2.10

Moved (Rossiter/Brown)

That the minutes of the meeting of the Audit and Finance Committee held on 28 October 2009 be confirmed.

Carried

2. NZTE Regional Strategy Governance Subcommittee Minutes

File D2.10.1

Moved (Brown/Walker)

That the minutes of the meeting of the NZTE Regional Strategy Governance Subcommittee held on 28 January 2010 be confirmed.

Carried

3. Enterprise Northland and Destination Northland Limited – Second Quarterly Reports for 2009/2010

File D3.1.2 and D3.1.3

Report from General Manager Projects and Information, Linda Stansfield dated 5 February 2010.

Moved (Walker/Jensen)

That the Enterprise Northland and Destination Northland Limited – Second quarterly Reports for 2009/2010, with attachments from the General Manger Projects and Information, Linda Stansfield be received.

Carried

4. Key Performance Indicators and Funding for the Arts Promotion Trust

File C9.50

Report from General Manager Finance and IT, Lisa Aubrey dated 9 February 2010 and supplementary item dated 16 February 2010.

Mrs Mary Britton made a 'powerpoint' presentation to update the committee on the work completed to date.

Moved (Rossiter/Bain)

The Committee recommends to the Council:

1. That the report from the General Manager Finance and IT, Lisa Aubrey dated 9 February 2010 and supplementary item dated 16 February 2010 be received.
2. That the Council release the December quarter funds of \$12,500 to the Arts Promotion Trust on the satisfaction of progress made towards achieving the key performance indicators for the 2009 year.

Carried

5. Update on the Expenditure Incurred on the Preparation of River Flood Risk Reduction Plans

File: R5.1 and C4.50

Report from Land/Rivers Senior Programme Manager, Bruce Howse and General Manager Finance & IT, Lisa Aubrey dated 14 January 2010.

Moved (Brown/Rossiter)

The Committee recommends to the Council:

1. That the report from Land/Rivers Senior Programme Manager, Bruce Howse and General Manager Finance & IT, Lisa Aubrey dated 14 January 2010 be received.
2. That the Council continues to approve the advancement of funds to enable completion of the river management plans. The Council proposes to fund this expenditure from cash reserves in the first instance to be repaid to the reserves from proposed future targeted land management rate over the 10 years of the LTCCP.

Carried

6. Approval to Transfer Budgeted Operational Community Relations Expenditure to Capital Expenditure

File: C4.50

Report from General Manager Finance & IT, Lisa Aubrey and Community Relations Manger, Jason Dawson dated 4 February 2010.

Moved (Farnsworth/Bain)

The Committee recommends to the Council:

1. That the report from General Manager Finance & IT, Lisa Aubrey and Community Relations Manager, Jason Dawson dated 4 February 2010 be received.
2. That the Council approves the transfer of \$43,000 from the Community Relations operational budget to capital expenditure budget.

Carried

7. Approval to Transfer Budgeted Operational Maritime Expenditure to Capital Expenditure

File: C4.50

Report from Financial Accountant, Kim Harvey dated 9 February 2010.

Moved (Farnsworth/Bain)

The Committee recommends to the Council:

1. That the report from Financial Accountant, Kim Harvey dated 9 February 2010 be received.
2. That the Council approves the transfer of \$30,000 from the Maritime operational budget to capital expenditure.

Carried

8. Hatea River Channel Project Update

File: R4.12 and C4.50

Report from Finance Manager, Simon Crabb and Regional Harbour Master, Ian Niblock dated 26 January 2010.

Moved (Rossiter/Bain)

The Committee recommends to the Council:

1. That the report from Finance Manager, Simon Crabb and Regional Harbour Master, Ian Niblock dated 26 January 2010 be received.
2. That the Council approves the discontinuation of the user charges in the 2010/2011 financial year, associated with the Hatea River dredging and aid to navigation upgrade project.

Carried

Attendance Note

Cr Bain left the meeting before consideration of this item.

9. Helicopter Funding

File: R4.5

Report from Chief Executive Officer Ken Paterson dated 10 February 2010.

During discussion on this item it was questioned as to how long the funding would last. The CEO replied that like all funding under the LTCCP process, it would be reviewed in three years as part of the next LTCCP. There was also provision to review it as part of the Annual Plan process.

In view of ongoing funding discussions with the Northland District Health Board and following a brief adjournment both Cr Brown and Cr Jensen, as current Board members, declared a potential conflict of interest in the item and left the meeting for the remainder of discussion and voting on the item. Cr Jensen requested that Council Chairman Mark Farnsworth chair the remainder of the item.

Moved (Farnsworth/Walker)

1. That the helicopter funding report from the Chief Executive Officer dated 10 February 2010, be received.
2. That the Trust be paid the full amount of the helicopter rate collected, less administrative costs and paid on a quarterly basis.
3. That the Trust be required to advise the Council of any material change to their funding.

Carried

Attendance Note

Crs Bain, Brown and Jensen returned to the meeting and Cr Farnsworth vacated the Chair. Cr Jensen chaired the remainder of the meeting.

Supplementary Item

2. Financial Performance – Variance Reporting to 31 January 2010

File D2.10

Report from Financial Accountant, Kim Harvey dated 16 February 2010.

Moved (Rossiter/Bain)

That the report Financial Performance - Variance Reporting to 31 January 2010 by Kim Harvey, Financial Accountant, be received for information.

Carried

Business with the Public Excluded

Moved (Farnsworth/Brown)

That pursuant to the provisions of the Local Government Official Information and Meetings Act 1987 (LGOIMA), the Committee resolves to exclude the public from the meeting to consider:

Carter Holt Harvey Limited – Proposed Building Extension

The reason for excluding the public is that public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the Committee to conduct, without prejudice or disadvantage, commercial negotiations, pursuant to Section 7(2)(h) of the said Act.

Carried

Conclusion

The meeting closed at 3.57pm.

Receipt of Minutes - Environmental Management Committee

File D2.11

The Minutes of the Environmental Management Committee meeting to be held on 17 March 2010 at 10 am will be tabled at the Council meeting for receipt and adoption of recommendations.

E:\COUNCIL\COUNCIL AGENDAS\2010 COUNCIL AGENDAS\MARCH 2010\ENVIRONMENTAL MANAGEMENT COMMITTEE RECEIPT OF MINUTES.DOC

Business with the Public Excluded

File D2.2 (105.2)

Recommendation

That pursuant to the Local Government Official Information and Meetings Act 1987, the public be excluded from the remainder of the meeting to consider:

- Receipt and Adoption of Confidential Minutes of the Audit and Finance Committee Meeting held on 17 February 2010.

The reason for excluding the public in relation to the above item is as stated in the Minutes of that meeting.