

Annual Plan 2011-2012



Putting Northland first

**NORTHLAND
REGIONAL
COUNCIL**



your regional council

our vision

Creating a region of choice.

our mission

Through growth, putting Northland first by providing regional leadership, environmental protection, economic opportunities and integrated infrastructure.

our motto

Putting Northland first.

our values

To achieve our vision and mission the Council will:

- Put our community and region first
- Be forward thinking and innovative
- Be flexible and open
- Be responsive and deliver value
- Be professional and accountable
- Work with others.

our values in action

Put our community and region first

Provide regional leadership, focussed on working towards strategies and action which will make a positive difference to Northland's communities and people.

Be forward thinking and innovative

We will always look long-term at issues facing our region and seek innovative solutions.

Be flexible and open

We will adapt to change quickly, listen carefully to our communities and act fairly and openly in everything we do.

Be responsive and deliver value

We are committed to understanding what is important to Northlanders and, take action to deliver value to them.

Be professional and accountable

We strive to deliver the highest levels of professionalism and we are responsible to the people and ratepayers of the Northland region.

Work with others

We will work together and in partnership with others to achieve the most effective and affordable outcomes for the Northland region.

Northland Regional Council Annual Plan 2011-2012

Summary of outcomes from public consultation

The Council included a number of new proposals in the Draft Annual Plan for feedback from the community. We received 220 submissions before the deadline date and comments on all the proposals. The Council's decisions on these proposals and other issues raised in submissions are summarised below:

Redirection of investment income

The Council agreed to redirect the Council's investment income from subsidising the funding of council services to establishing the Northland Regional Council Investment and Growth Reserve. As a consequence rates will increase on average by \$17.80 (including GST) annually for the next five years. The reserve will be used to fund projects that will increase Northland's economic performance and improve the environmental, social and cultural wellbeing of Northlanders.

The comments/suggestions received during consultation will be utilised to develop the funding criteria for project selection. No funds will be spent on new projects until the criteria have been approved by the Council.

Roadside weed control programme

The roadside weed control programme funding was rejected by the Council in order to keep the rates increase as low as possible. Officers will facilitate discussions with key stakeholders on improvements to the current eradication programmes.

Whāngārei Urban River Management Rate

A new Whāngārei Urban River Management Rate will be established for 2011-12 to fund Stage One of the CBD Flood Scheme. The works will cost \$681,697 and includes maintenance of the existing river channels and bridges with the replacement of the Rust Avenue bridge. The works will be funded through a differentiated uniform annual charge as follows (refer to maps on page 12 for areas):

- Commercial properties in the CBD flood area will pay \$247.83 (including GST).
- Residential properties in the CBD flood area will pay \$94.19 (including GST).
- Properties in the contributing water catchment area will pay \$33.21 (including GST).

In response to public submissions the Council chose a funding regime that removed the district portion, as proposed in the Draft Annual Plan, in keeping with the other river management rates.

Kaeo-Whangaroa River Management Rate

The new Kaeo-Whangaroa River Management Rate will fund Stage One of the Kaeo flood scheme works valued at \$637,577 (including GST). The works involve constructing a stopbank immediately east of the Kaeo township; raising State Highway 10 east of the police station; constructing a deflection bank near the cemetery and installing a river bypass spillway near the school stopbank. Stages Two and Three of the flood scheme proposed in the Draft Annual Plan are on hold. The new rate will be \$74.53 (including GST) for all ratepayers in the former Whangaroa Ward and includes the river maintenance works in the area.

Kaihū River Management Scheme

The Council will continue with the next stage in the feasibility study for the flood management scheme for Kaihū Valley, Dargaville. Officers will liaise with affected landowners and the Liaison Committee on the configuration of the scheme, including spillway dimensions and locations.

Dangerous Dams Policy

During the Annual Plan consultation the Council also consulted on a revised Dangerous Dams Policy. Legislative amendments introduced two new dam categories to the policy – earthquake-prone and flood-prone dams. The Council adopted the policy as released for public consultation.

Mangrove management

The Council received numerous requests for continuing the one-off mangrove management funding from 2010-2011. An evaluation of the current project funding will be undertaken before the Council makes a decision on any further funding.

GE/GMOs

Numerous submitters requested the Council reaffirm its position on GE/GMOs in the Annual Plan. The provisions within the Northland Community Plan 2009-2019 remain in place and therefore do not require restating in the 2011-2012 Annual Plan. No additional funding has been committed.

EnviroSchools Programme Funding

The Council has increased the funding for the EnviroSchools Programme by \$149,500 (including GST) to replace the withdrawn government funding.

Navigation Safety Bylaw 2011

The proposed changes to the bylaw were adopted and the bylaw will come into effect on 1 July 2011. The bylaw changes amended definitions and fee categories; will allow Council to grant or renew mooring licences whether or not they have a resource consent, cancel mooring licences for specific situations, inspect moorings and set mooring guidelines. A further review of the bylaw is scheduled for later in the year.

Charging Policy

The Council adopted the new fees and charges as outlined in the revised Charging Policy.

Navigation, Water Transport and Maritime Safety Bylaw Charges 2010

The revised bylaw was adopted and included the removal of some fees that were no longer required; increases in fees between 10-20% to better reflect the time involved with proactively managing problems and issues associated with moorings and improving/maintaining navigation aids; increasing the number of small ships that fall in the lower fee category for pilotage fees to encourage more superyachts to the Bay of Islands; and definition changes of 'maritime facility' and 'mooring'.

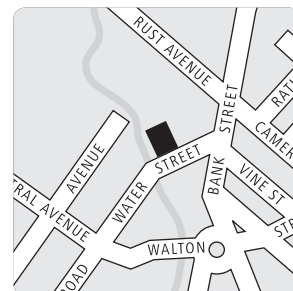
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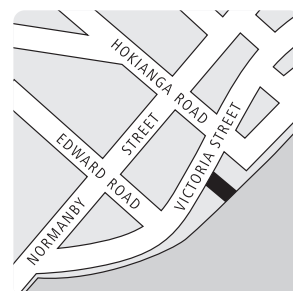
directory

Main Office

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LinkedIn: www.linkedin.com/companies/northland-regional-council
Facebook: www.facebook.com/NorthlandRegionalCouncil
Twitter: www.twitter.com/NRCExpress



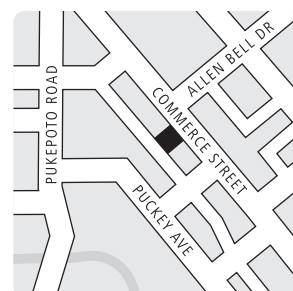
WHĀNGĀREI



DARGAVILLE

Dargaville Office

Address: 61B Victoria Street, Dargaville 0310.
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Facsimile No: 09 439 3301



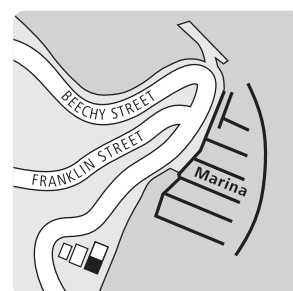
KAITĀIA

Kaitiāia Office

Address: 192 Commerce Street, Kaitiāia 0410.
Telephone No: 09 408 6600
Facsimile No: 09 408 6601

Ōpua Office

Address: Unit 10, Ōpua Marine Park, Ōpua 0200.
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Facsimile No: 09 402 7510



ŌPUA

welcome

Welcome to Northland Regional Council's Annual Plan 2011-2012

The main purpose of the Annual Plan is to provide updated financial information on the budget and rates for the 2011-2012 year.

The Annual Plan 2011-2012 supports the Council's Long Term Council Community Plan (known as the Northland Community Plan 2009-2019) and focuses on identifying any changes or additions, rather than repeating the detailed information contained in the Community Plan. The next Long Term Council Community Plan will be released in April 2012 and will cover the period 2012-2022.

Except where noted, the plans and activities established in the Northland Community Plan 2009-2019 apply to this Annual Plan and the 2011-2012 operations of the Council. Therefore, it is important that this Annual Plan is read in conjunction with the Northland Community Plan 2009-2019.

Copies of the Community Plan are available from the Council or from the Council's website www.nrc.govt.nz/ltp

Excluding the variations to the Northland Community Plan 2009-2019 detailed throughout this Plan, the changes from what the Council had expected to happen in 2011-2012 are relatively minor, with some additional initiatives and refinement of costs as more information has become available.

Full details of these variations affecting the Council's groups of activities are referred to on pages 37 to 79 of this Plan.

Whatungarongaro he tāngata toitu te whenua – Mankind passes on but the earth remains for all eternity

E rua ano nga hua e kite ana e te tāngata i te wā e ora ana e ia i runga i te mata o te whenua.

Ko nga mea na Te Atua i hanga, me nga mea na te tāngata ano i hanga.

Ta Te Atua i hanga ai, he taonga, he mea tapu, tapu rawa, mei ata tiaki marika, mehemea ngaro ai, ka ngaro mo ake tonu atu.

Ta te tāngata i hanga ai, he taputapu noa iho māna, ka whakamahia, ka whakapaua, ka whakarerea, e taea noa iho te whakahoua.

During a person's time on earth, he or she will see only two things; things created by the hand of God and things manufactured by the hand of man.

Things created by the hand of God are of divine creation and are given the sacred description of taonga. Being most sacred, they must be protected at all costs for once lost, they are lost forever.

Things manufactured by the hand of man are personal belongings and are for his or her convenience only. As such, they are usable, consumable, disposable and replaceable.

foreword

A word from the Chairman and Chief Executive Officer

Proposals to redirect council's income and for various flood protection works in all three districts which make up our region were among the most commented topics in our Draft Annual Plan 2011-2012.

While at first glance these are two very different issues, both centre on attempts by your councillors to improve the quality of Northlanders' lives and give them more certainty in future.

Councillors travelled around the region listening to submissions both for and against these (and other proposals) and were impressed by submitters' well-reasoned and pragmatic approaches to the myriad of issues involved.

Affordability was a common thread in many of the more than 220 submissions we received and in making the decisions they have, your councillors recognise and understand that for many Northlanders, every new dollar they must find puts more stress on already stretched finances.

However, when all factors are considered, councillors believe the time is long overdue for us as a region to make some hard decisions and commit to the investment necessary to move forward as a region. The status quo is simply no longer a viable option for Northland.

To that end, council will proceed with plans to redirect its investment income. Council's Service Rate will increase on average \$17.80 (including GST) annually for each of the next five years.

This will both enable us to do more for our community and lessen council's longstanding reliance on our investment income (much of it linked to our majority shareholding in the Northland Port Corporation) which typically subsidises roughly one-third of the average rates bill.

Comments from submitters will be used over the next few months to help develop criteria to assess projects and processes for applications/assessments for funding of projects from the reserve. Until criteria have been approved by council, the redirected investment income will remain unspent in a reserve called the 'Northland Investment and Growth Reserve'.

Our priority rivers project to develop (or update) flood risk reduction plans for the 27 rivers in Northland with the highest levels of flood risk is progressing well.

The coming 2011-2012 year will mark a crucial stage in this project with a variety of flood risk reduction measures prioritised for inclusion in Council's 2012-2022 Long Term Plan.



On the flood protection front, councillors have agreed to adopt a Whāngārei Urban River Management Rate to fund Stage One of a Central Business District flood scheme. These will cost \$681,697 and will include maintenance of the existing river channels and bridges.

The new rate will see commercial properties in the CBD flood area pay \$247.83 (incl GST), residential properties in the area \$94.19 and properties in the contributing water catchment \$33.21.

In the Far North District, councillors have decided to establish a Kaeo-Whangaroa River Management Rate.

The \$637,577 of works – to be repaid over seven years - involve building a stopbank immediately east of Kaeo township; raising State Highway 10 east of the police station; constructing a deflection bank near the cemetery and installing a river bypass spillway near the school stopbank.

The new rate will be \$74.53 (incl GST) for all ratepayers in the former Whangaroa Ward and includes river maintenance works in the area. (Stages Two and Three of the flood scheme proposed in the Draft Annual Plan are now on hold.)

Your councillors also agreed Kaipara's Kaihū River Management Scheme should proceed to the next stage - completing the feasibility investigation for the flood management scheme. Over the next few months, council staff will work with the local Liaison Committee and each of the affected landowners regarding the scheme's configuration, including spillway dimensions and locations.

A roadside weed control programme funding suggested in the Draft Annual Plan was rejected by the council in order to keep rates as low as possible, but staff will work with key stakeholders to try to improve current eradication programmes.

However, your council (which already funds a regional co-ordinator for the Enviroschools programme) has decided to extend its support of this worthy initiative to cover a \$149,500 shortfall left by the withdrawal of Government funding.

This popular programme encourages student-driven action, based on sustainable management of resources across all areas of school life and your council played a key role in bringing it north in 2003.

There are now more than 50 local schools in the programme and the extra funding in this year's Annual Plan will be used to fund the ongoing work of two Northland-based facilitators.

To support economic, environmental and other initiatives, it's important to ensure council's regional planning regime is as flexible and responsive as possible.

We're pleased to report that work is now well-advanced towards developing a new Regional Policy Statement (RPS) to do exactly that.

The RPS is designed to ensure the region's natural and physical resources (things like its land, water, air, soil, minerals, energy, plants and animals) are sustainably managed, making it one of Northland's most important planning tools. It also guides the development of our other plans, as well as district plans prepared by the Whāngārei, Kaipara and Far North District Councils.

Much has changed legally, socially, environmentally and economically in recent years and we'll need your help over the coming months to ensure we get the right balance between use, development and protection as we move into the future.

Of course, our environment will remain at the core of Council's business and we will continue to build on recent environmental gains, including improvements in water quality and flood management work.

Wherever possible, we will also work to further strengthen the ties between ourselves and our district council counterparts, including the development of new committees with region-wide representation as required.

In a similar vein, full Northland Regional Council meetings are now also being held in both the Kaipara and Far North districts on a regular, alternating basis and council has also been working more closely with iwi groups. Hui have been held for treaty settlement discussions and input to the new Regional Policy Statement.

Despite this work - and the many other initiatives council will undertake over the next 12 months - we're proud to note that Northland Regional Council rates will continue to be among the lowest in New Zealand.

It's with great sadness your councillors farewell departing CEO Ken Paterson, who leaves council in July to head the Tauranga City Council. Council Deputy CEO Tony Phipps will fill in as acting CEO until a replacement for Mr Paterson has been appointed.

Lastly, may we extend our personal thanks to everyone who took the time to read and comment on council's Draft Annual Plan.



Craig Brown
Chairman



Ken Paterson
Chief Executive Officer

your regional councillors



Craig Brown - Chairman

Whāngārei constituency
Phone: 09 432 7575
Email: craigb@nrc.govt.nz

Craig Brown is the former Mayor of the Whāngārei District Council and is serving his second term on the Regional Council. He is a former policeman, and has been involved in farming and real estate.

Cr Brown is serving his third term on the

Northland District Health Board and has been a co-opted member of the NorthTec Council for six years. He has been heavily involved on school boards of trustees since their instigation, for which he received an award for services to education from the New Zealand School Trustees Association. Cr Brown was on the Whāngārei District Council for 12 years, six of them as Mayor.



John Bain - Deputy Chairman

Whāngārei constituency
Phone: 09 437 6096
Email: jbain@internet.co.nz

John Bain is best-known to most as chairman of the high-profile air ambulance provider, the Northland Emergency Services Trust (NEST). A member of the Northland District Health Board, Cr Bain has had a 35-year

involvement with the Northland Ambulance Service, including many years as its chairman. Cr Bain has been self-employed since his early twenties and is currently in the importing business.



Joe Carr

Far North constituency
Phone: 09 401 9197
Email: carr.clan@farmside.co.nz

Okaihau-based Joe Carr has local business, farm and forest interests and is also a Justice of the Peace. He is a trustee of the Far North Life Education Trust and a former Far North district councillor.

Cr Carr has served on a number of

regional council committees over the past nine years including Civil Defence and Emergency Management, Regional Land Transport and Landcare. He has previously been a Hearing Commissioner and Appeal Negotiator for the Far North District Council.



Tony Davies-Colley

Whāngārei constituency
Phone: 09 435 4090
Email: tony@westpoint.net.nz

Tony Davies-Colley is a businessman involved in technology, engineering, farming, forestry and property. He is a director of several private companies. Cr Davies-Colley has an Agricultural Science degree and over the last 30 years

has been actively involved in farming, forestry and the wood processing industry.



Bronwyn Hunt

Far North constituency
Phone: 09 408 3412
Email: bronyh@hotmail.com

Bronwyn has been involved in local government for over 20 years, 13 of which was in the Far North district.

Her community interests are wide and varied. Currently working for the

Te Runanga o Te Rarawa, Bronwyn heads

the Strategy and Policy Unit. Cr Hunt is now serving her first term on the Regional Council.



Graeme Ramsey

Kaipara constituency
Phone: 09 439 7022
Email: baylys@igrin.co.nz

Graeme returned home to Dargaville after a management career overseas. He served six years as Mayor of the Kaipara district and has continued his career in New Zealand as Chief Executive Officer and Director of commercial and

not-for-profit national organisations. Graeme has degrees in Geography, Sociology and a Masters in Business Administration. He lives at Baylys Beach with his wife Josie.



Bill Rossiter

Whāngārei constituency
Phone: 09 437 2807
Email: billr@igrin.co.nz

Bill Rossiter is serving his fifth term on the Regional Council. He previously served as a Whāngārei District Councillor.

He is a Northpower trustee and was previously the Road Safety Co-ordinator for RoadSafe Northland. He is active in

community organisations, including Rotary and an appointed Whāngārei RSA Trustee. Cr Rossiter is a retired businessman involved in the printing and stationery business.



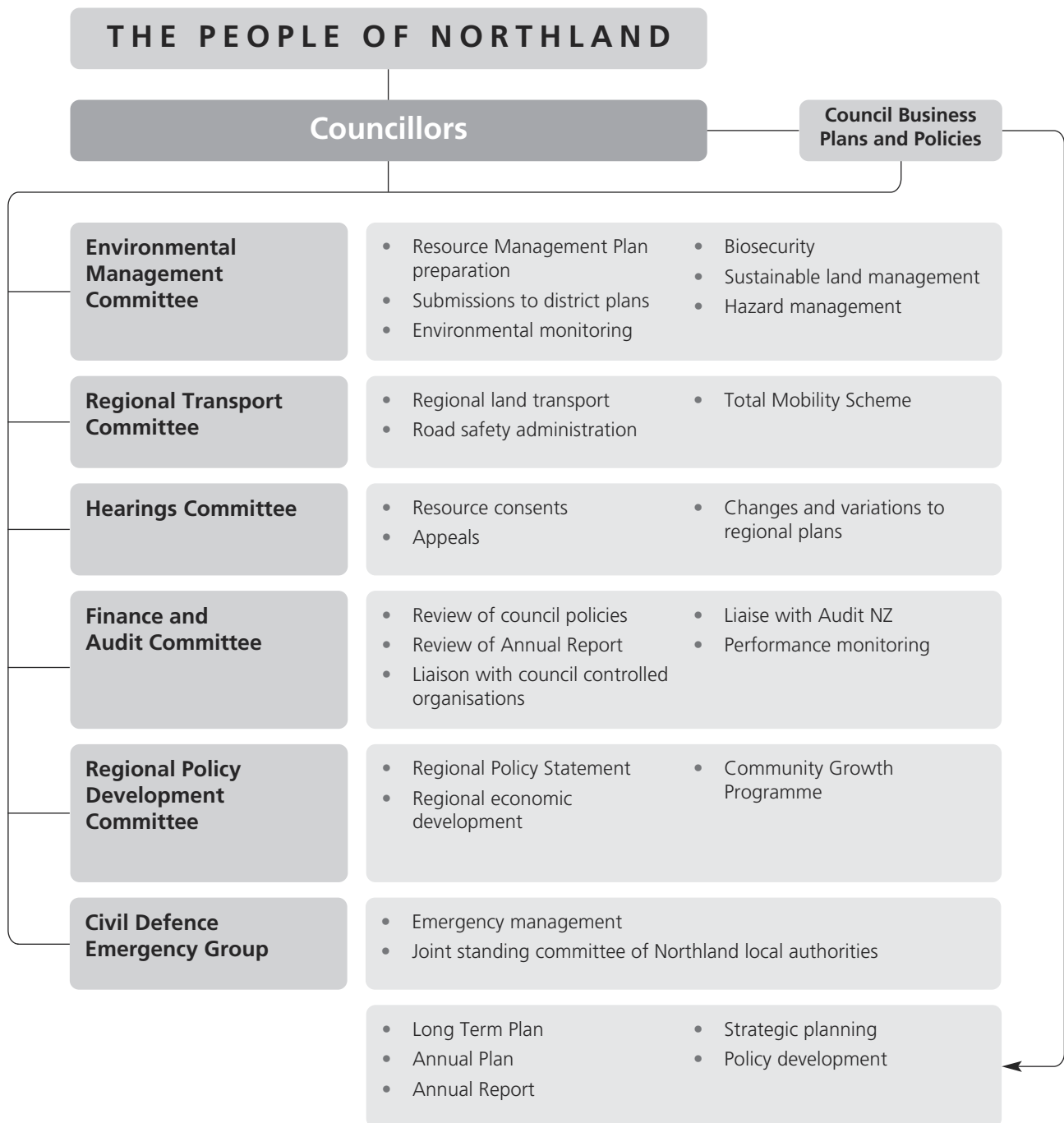
Ian Walker

Far North constituency
Phone: 09 408 0072
Email: ian@nzfarmers.com

Ian Walker is a farmer, retailer and has business interests in IT. He has held a number of directorships and is currently President of Farmers of New Zealand and a Director of Northland Port Corporation NZ Limited. This is his fourth term as a

Regional Councillor.

governance structure



Full details of all Council's Governance arrangements and processes are contained in its Governance Statement. A copy of Northland Regional Council's Governance Statement is available on request, or by visiting the website: www.nrc.govt.nz

council committees

The Chairman, Craig Bown, is an ex-officio member of all committees.

Environmental Management Committee

Councillors Joe Carr (Chairman), Graeme Ramsey (Deputy Chairman), Craig Brown (ex officio), Bill Rossiter, Bronwyn Hunt, Tony Davies-Colley.

- Cr Di Maxwell representing the Far North District Council.
- Cr Crichton Christie representing the Whāngārei District Council.
- Cr Brian McEwing representing the Kaipara District Council.
- Ms Nicole Anderson representing cultural interests.
- Dr Greg Blunden representing environmental interest groups.
- Mr Richard Booth representing the farming community.
- Chris Jenkins representing the Department of Conservation.
- Mr Geoff Gover representing the forest industry.

Regional Transport Committee

Councillors John Bain (Chairman), Joe Carr (Deputy Chairman), Craig Brown (ex officio).

- Cr Tom Baker representing the Far North District Council.
- Cr Greg Martin representing the Whāngārei District Council.
- Cr Wayne Linton representing the Kaipara District Council.
- Mr Stephen Town representing the NZ Transport Agency.
- Mr Tony Norman representing public health.
- Mr Ken Rintoul representing economic development.
- Mr Steve Westgate representing environmental sustainability.
- Mr Rawson Wright representing cultural interests.
- Mr Clifford Paxton representing New Zealand Police, safety and security.
- Mr Howeth Mountain representing access and mobility.

Audit and Finance Committee

Councillors Bill Rossiter (Chairman), Graeme Ramsey (Deputy Chairman) Craig Brown (ex officio), John Bain, Joe Carr, Bronwyn Hunt, Tony Davies-Colley, Ian Walker.

Regional Policy and Development Committee

Councillors Ian Walker (Chairman), Craig Brown (ex officio), Tony Davies-Colley and John Bain.

- Cr Ann Court representing the Far North District Council.
- Cr John Williamson representing the Whāngārei District Council.
- Cr Julie Geange representing the Kaipara District Council.

Hearings Committee

Councillors Craig Brown (Chairperson) and Bronwyn Hunt.

The Committee (or the Council) may appoint any individual member/s or other independent person/s as Commissioner/s pursuant to section 34(1) of the RMA, to conduct a hearing in any particular case. The Committee (or the Council) may also revoke such a delegation at any time, by notice to the delegate.

Northland Regional Council Community Trust

The Northland Regional Council Community Trust was established in March 1996 using the proceeds from the sale of some of the Northland Regional Council's majority shareholding in the Northland Port Corporation. The current trustees are Andrew Britton, Rawson Wright, Irene Durham and Bill Shepherd.

Councillor portfolios and memberships

- Broadband – Cr Tony Davies-Colley and Cr Bill Rossiter.
- Catchment Management – Cr Joe Carr.
- Economic Development/Regional Growth – Cr Walker.
- Environment – Cr Joe Carr.
- Environment Awareness – Cr Bill Rossiter.
- Growth Strategy – Cr Ian Walker.
- NZ Refining Company Community Liaison Committee – Chairman Craig Brown.
- Northland Chamber of Commerce – Cr Tony Davies-Colley and Cr Bill Rossiter.
- Northland Conservation Board – Cr Bronwyn Hunt.
- Northland Regional Animal Health Committee – Cr Ian Walker.
- Ngunguru Sand Spit – Deputy Chairman John Bain.
- NRC Engagement with Māori – Cr Bronwyn Hunt.
- Northport – Cr Ian Walker.
- Northport Liaison Committee – Chairman Craig Brown.
- Regional Policy Statement – Cr Ian Walker.
- Rivers – Cr Joe Carr.
- Road Safety – Deputy Chairman John Bain.
- Ruakaka Sewerage Working Party – Chairman Craig Brown.
- Shared Services – Working Group CEO, Cr Bill Rossiter, Cr Tony Davies-Colley, Cr Bronwyn Hunt and Cr Graeme Ramsey.
- Transport – Deputy Chairman John Bain.
- Vehicles on Beaches – Deputy Chairman John Bain.
- Youth Education – Cr Bill Rossiter.

The Chief Executive Officer is responsible for setting the direction of the Council within the policy framework provided by councillors. The Management Team is accountable to him and he is accountable to the Council.

focus for the year 2011-2012

This section highlights the key issues, actions and projects identified as priorities for the Northland Regional Council (NRC) for the coming year.

New Regional Policy Statement

The Regional Policy Statement (RPS) for Northland is a key planning document driven by the Resource Management Act 1991. One of the main purposes of the RPS is to provide for the integrated management of Northland's natural and physical resources (land, water, air, soil, minerals, energy, all plants and animals, and all structures) from Kaiwaka in the south, to Cape Reinga in the north, and out to the 12 nautical mile (22.2 km) limit. The RPS also guides the development of other plans prepared by the Regional Council, as well as district plans prepared by the Whāngārei, Kaipara and Far North District Councils. It is therefore a regionally important piece of work that the Council encourages you, the community, to become involved in.

Northland's first RPS is now 10 years old and was reviewed last year, as required by the Resource Management Act 1991 (RMA). Development of a new draft RPS, which followed consultation on a discussion document, has been the work for 2010-2011.

In September/October 2011 the Council expects to be consulting with tāngata whenua, stakeholders and the public on the new draft RPS. After this round of consultation the Regional Policy and Development Committee and staff will modify the plan where appropriate to form the proposed new RPS. The proposed RPS then follows the legal RMA process of consultation, including submissions and hearings before a final RPS is adopted by the Council. This last part of the process is expected to start in late 2011 - early 2012 and carry on until any appeals are resolved. The Council has spent considerable time and effort in the early stages of the development of the new RPS, so we hope resolution and the finalisation of most, if not all, of the new RPS will occur in 2013-2014.

More information about the RPS project can be found on the Council's website www.nrc.govt.nz/newrps. You can register to receive updates from the website direct to your email inbox. If you register you will be sent an email with links to the updated information every time we add information to this section of our website.

Further information is included in the project update section on page 15 and the Resource Management Planning group of activities on pages 50 to 53 of this Plan.

Northland Growth Programme and Redirection of Council Investment Income

The Council has set up the new Northland Regional Council Investment Growth Reserve by redirecting Council's investment income to a reserve for funding specific projects that will increase Northland's economic performance and improve the environmental, social and cultural wellbeing of Northlanders.

The Council will support projects that:

- Remove the obstacles to our success;
- Bring investment into our region;
- Create rewarding business and employment opportunities;
- Raise the living standards of Northlanders; and
- Increase our enjoyment of living in this special place.

The Council decided to transition the change in the use of the investment income from the rates subsidy for services to specific projects over a five year period. This equates to a rate increase of \$17.80 on average per ratepayer annually for the next five years.

By making this change the Council has reduced the level of risk to the Council's revenue streams and its ability to fund council services from sudden changes in its investment income streams. If income reduced significantly, the Council would have been left with a funding shortfall or deficit and/or the need to change its levels of service.

The Council's next step is to develop criteria for the allocation of funds from the reserve. By the end of the first year we estimate the reserve will have \$1.38 million. Until the criteria are adopted and sufficient funds have accumulated for appropriate projects the redirected investment income will remain in the reserve.

The Northland Community Growth Programme aims to reverse the cycle of underinvestment with the Council leading by example by investing directly in projects that deliver tangible benefits to current and future generations of Northlanders. It is important that we find new ways to leverage more investment in the region in order to create more jobs while at the same time, safeguarding our natural environment.

Through the Northland Community Growth Programme the Council is proposing to work with communities, sectors and interest groups who are in a willing and able position to make a significant positive contribution to the region. The Council is specifically investigating how it can support infrastructure and economic development opportunities to create a sustainable Northland in partnership with infrastructure and economic development players, agencies, innovative leaders and other willing parties.

Further background information on the redirection of the investment income is provided on page 20.

focus for the year 2011-2012 continued

Priority Rivers Programme

There is significant work planned for the ongoing development, or updating of flood risk reduction plans for the 27 rivers in Northland that carry the highest level of flood risk. During the coming year, the main areas of work are as follows:

New Whāngārei Urban River Management Rate

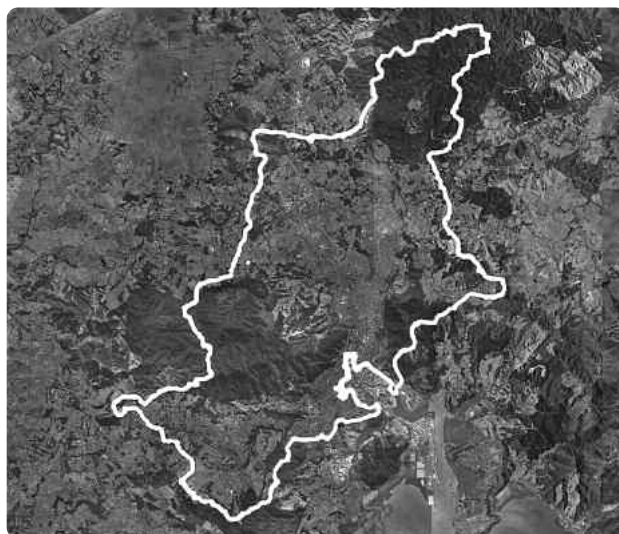
The Council has been working with the Urban Whāngārei Management Liaison Committee to develop river management plans for the Hātea and Waiarohia-Raumanga River catchments and to assess flood risk reduction options for the Whāngārei central business district (CBD). Stage One works will be undertaken in 2011-2012 at a cost of \$681,697 (including GST). The works will be funded through a differentiated uniform annual charge as follows:

- Commercial properties in the CBD flood area will pay \$247.83 (including GST).
- Residential properties in the CBD flood area will pay \$94.19 (including GST).
- Properties in the contributing water catchment area will pay \$33.21 (including GST).

This funding regime recognises the different categories of beneficiaries to the scheme and the properties that contribute to the problem. The Council had also consulted on a uniform charge across the whole Whāngārei District area but this was not supported by the majority of submitters and was considered by the Council to depart from the current funding regimes of other flood risk reduction schemes.



Map 1 - CBD Flood Area



Map 2 - Contributing Catchments. Includes all those properties located within the white line, which is comprised of the Waiarohia, Raumanga, Kirikiri and Hātea River catchments.

Stage 1 works will focus on channel maintenance within the CBD, specifically targeting restrictions to channel flow associated with bridges and accumulated sediments in the lower river reaches. This work will include upgrading the flood flow capacity of the Rust Avenue bridge.

Stages 2 & 3 of the scheme will be subject to further community consultation in the coming years. Flood risk reduction plans have been developed because the average cost every year to the Whāngārei community of the current flood risk to the CBD is estimated at \$5.6M. Flooding can cause major interruptions to businesses in the CBD, damages the infrastructure of the city and is a threat to public health and safety.

New Kaeo-Whangaroa River Management Rate

The new Kaeo-Whangaroa River Management Rate will fund Stage One of the Kaeo flood scheme works valued at \$637,577 (including GST) which will be repaid over seven years. The new rate will be \$74.53 (including GST) for all ratepayers in the former Whangaroa Ward and includes the river maintenance works on smaller rivers and streams from Taupo Bay to Te Ngairi. The Council had consulted on funding two further stages at a combined cost of \$693,172, one at Kaeo the other at Tauranga Bay. The Council has decided to put these works on hold in response to the comments and suggestions from the majority of submitters.

Stage One

Kaeo Township Stop Bank

A stop bank will be constructed immediately east of the Kaeo township. This stop bank is designed to reduce the velocity and depth of flood water in the Kaeo township by preventing Kaeo River flood water from flowing directly through the township.

State Highway 10 Modification.

A section of State Highway 10, located immediately east of the Kaeo police station, will be raised in height to merge with the proposed township stop bank crest levels.

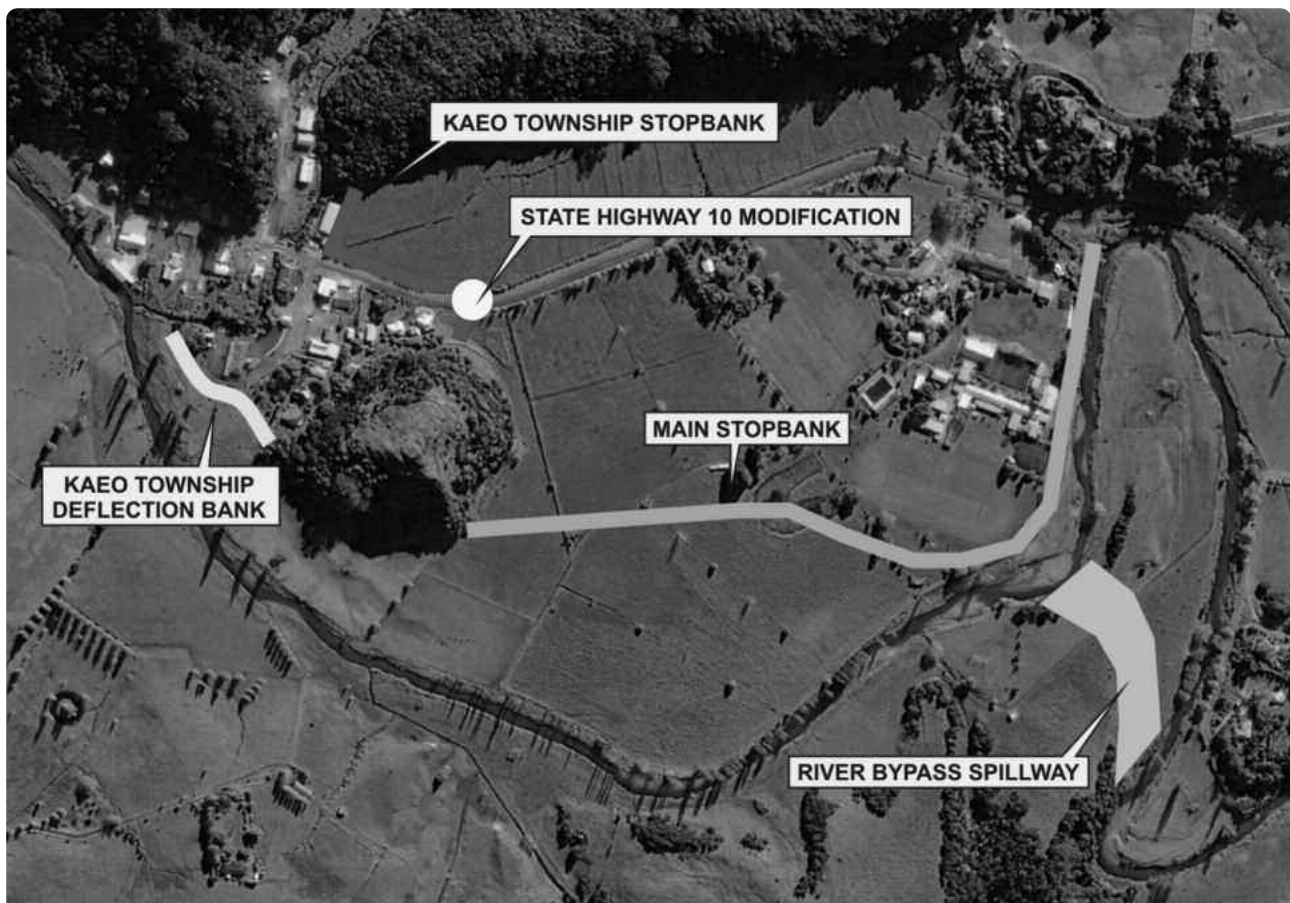
Kaeo Township Deflection Bank

A deflection bank will be constructed at a location from near the Kaeo cemetery extending towards the confluence of the Kaeo River and Waikara Creek. This deflection bank is designed to reduce the velocity of Kaeo River flood waters in the Kaeo township by deflecting flood flow away from the township.

River Bypass Spillway

A river bypass spillway will be constructed to bypass high river level flows from the river meander adjacent to the school stop bank. This will work to reduce the depth and velocity of flood water adjacent to the existing school stop bank.

Since August 2008 the Council has been working with the Kaeo River – Whangaroa Catchment Management Liaison Committee to reduce the flood risk in rivers and streams from Taupo Bay to Te Ngairi. This work includes the Kaeo and Pupuke Rivers and other smaller streams in the area of the former Whangaroa Ward. River management works have been undertaken to maintain the river channels and floodplains, to reduce restriction on flow and lessen the flood risk.



focus for the year 2011-2012 continued



Kaihū River Management Plan

Design of the spillway overflow crests will be undertaken in 2011-2012 to complete the feasibility investigation for the Kaihū flood management scheme. The Council consulted with the community on the future steps of implementing the Kaihū River Management Plan. Submitters expressed concern for the areas to be flooded via the spillways but there was general consensus that the investigations should be completed with more justification provided to affected landowners and the liaison committee.

The results of the investigations to date are documented in a number of reports available on the Council's website www.nrc.govt.nz

Awanui River Flood Management Rate

The Council has reduced the Awanui River Flood Management Rate from \$603,251 (including GST), to \$486,288 (including GST) in the 2011-2012 year. This reduction only affects the rural rate contribution to flood management of the Awanui River with the urban rates remaining unchanged.

This revision is based on the actual annual cost of the scheme asset management and maintenance, including additional slip repair work in the urban Kaitaia stop bank areas, and an adjustment of the apportionment of the existing targeted rate.

More information on the reduction of the targeted Awanui River Flood Management Rate can be found in the Funding Impact Statement on pages 23 to 31 and the Land and Rivers group of activities on pages 66 to 69 of this Plan.

Northland's Long Term Plan 2012-2022

Following the introduction of the Transparency, Accountability and Financial Management Bill (TAFM) in November 2010, the 10 year plan previously referred to as the Long Term Council Community Plan (LTCCP) will be streamlined and become known as the Long Term Plan (LTP). The Council's next LTP must be adopted by 30 June 2012. The purpose of the LTP is to:

- Provide a long term focus for the decisions and activities of the Council;
- Describe the activities of the Council;
- Provide integrated decision-making and co-ordination of council activities; and
- Provide a basis for accountability and provide an opportunity for public participation in the decision making processes of the Council.

Council staff have already commenced work on the 2012 LTP. The new LTP will outline our levels of service, along with new performance measures and targets for the work we do in future years. It is expected that public consultation will occur in April-May 2012 with the final 10 year plan adopted in June 2012.

update on major existing council projects

Since the last Annual Plan published in June 2010, the Council has successfully completed a wide range of projects in addition to our day to day operations.

Full details of progress made on all council activities can be found in the 2010 Annual Report on the Council's website www.nrc.govt.nz/annualreport

In terms of major projects only, the following is a brief update of achievements during the past year.

New Regional Policy Statement (RPS)

During the 2009-2010 financial year, the Council reviewed the current RPS, assessed relevant monitoring information (including community outcome monitoring, and specific economic and environmental information), held workshops and sought public feedback on the New RPS Discussion Document 2010. All that work and your feedback has shaped the writing of a new draft RPS, which is scheduled for release for public comment in September/October 2011.

The discussion document asked the public and stakeholders to tell the Council how it can and should balance the competing values and interests between the use, development and protection of our natural and physical resources to meet Northland's needs now and in the future. A summary of the discussion document feedback was presented to the Council in March 2011.

A copy of the discussion document, summaries of the feedback and report cards are available on the Council's website www.nrc.govt.nz/newrps

Work began in February 2011, on the drafting of the new RPS. The Council also contracted Te Rarawa (supported by the Iwi Technicians' Forum and the resource management experts from Te Uri O Hau and Te Roroa) to consult with tāngata whenua of Tai Tokerau to identify their regionally significant resource management issues. This contract will continue in the 2011-2012 financial year to provide regional hui on the new draft RPS.

Mangrove Management Programme

Following strong support in last year's Annual Plan, the Council has proceeded assisting with community-led initiatives, using the \$135,000 (including GST) set aside in last year's Annual Plan.

The support programme opened on 1 September 2010 with 12 expressions of interest received from community groups. Eight projects have been recommended to go on to have environmental effects assessments done. Based on these reports, two proposals have already had the costs of resource consent processing met through the support programme. For the projects that successfully go through the programme and are granted resource consent for the removal of mangroves, it is expected that the communities benefiting from this work will pay for the actual physical removal of mangroves in their area. The Council intends to assess the effectiveness of this programme before considering any further funding to similar future programmes. An update will be provided in the 2012-2022 Long Term Plan.

Water Quality Initiatives

The improvement of water quality in Northland remains a top priority. Strong support was received from the public in last year's annual plan to budget an additional \$112,000 (including GST) for new initiatives aimed at improving Northland's water quality. With an increasing awareness of water quality issues in Northland, a number of communities have wished to become more involved. During the past year, funding has been directed towards the support of initiatives where communities have become actively involved in monitoring water quality and working together with the Council to instigate environmental improvement projects. Examples include the Waiora Hokianga working group – which is monitoring to establish current water and shellfish quality – and groups in Kerikeri/Waipapa, Doubtless Bay and the Kaipara Harbour.

More information on the Council's planned activities in relation to water quality can be found in the environmental monitoring section on pages 161 to 176 of Volume 1 of the Northland Community Plan 2009-2019 and in the Land and Biodiversity Activity on page 188.

Priority Rivers Programme

The Council has continued work on the development, or updating of, flood risk reduction plans for the 27 rivers in Northland that carry the highest levels of flood risk. Draft river management plans have been completed for each of these rivers. The plans are based on detailed survey and hydrological information, from which computer hydraulic flood models have been developed and flood maps produced to show areas at risk of flooding. The plans also contain an assessment of flood risk reduction options available in each river catchment. Consultation over these draft plans was carried out during September - November 2010, with 22 public meetings and hui held throughout the region. To assist with any future improvements to the flood models, the Council undertook an extensive survey of flood levels in the catchments most impacted by flooding associated with the 29-30 January 2011 Cyclone Wilma storm. The plans are considered living documents, and will be updated as required to reflect changes in the understanding of river systems as knowledge of the systems improves.

Refinement of the hydraulic models for the Awanui, Kerikeri-Waipapa and Kaihū River catchments were also undertaken during the 2010-2011 year. This work was used to assess options for reducing the flood risk in these catchments, in conjunction with the relevant river management liaison committees. During the coming year, the Awanui and Kerikeri-Waipapa models will be used to further assess the options that have been identified for reducing flood risk in these catchments, before proceeding to the detailed design stage. In the Awanui model, the option of improving the utilisation of the Whangatane Spillway, including modification of Donald Road bridge, to further reduce the risk of flooding has been assessed.

update on major existing council projects continued

Consultation over this option will take place with the community in the coming year. A proposed flood management scheme has been identified for the Kaihū River Valley and feasibility investigations will be completed during 2011-2012.

Outcomes from the draft flood risk reduction plans for the 27 priority rivers in Northland are already being used to develop a variety of flood risk reduction measures. These measures will be prioritised during the 2011-2012 year to produce a schedule for the development and implementation of flood risk reduction works for consideration in the Council's 2012-2022 Long Term Plan.

Broadband

Central Government has decided to support investment into improving internet access speeds in New Zealand, through two broadband initiatives. The first is the Ultra-fast Broadband (UFBB) initiative, which involves urban areas and aims to reach 75 percent of New Zealanders within ten years. In addition, the aim is that 97 percent of New Zealand schools will also have ultra fast broadband. The second initiative is the rural broadband initiative, which aims to improve coverage, so that 97 percent of New Zealand households and enterprises are able to access broadband services of 5 Mbps or better.

Crown Fibre Holdings has been created to manage the government's \$1.5 billion investment UFBB infrastructure. Northpower bid for the roll-out of UFBB in the Whāngārei area and was announced as a successful bidder in late 2010. Northpower has already begun installing UFBB in Whāngārei, and Whāngārei is the first area in the country to begin the roll-out of UFBB.

In rural areas, the Ministry of Economic Development is assisting the government with its rural broadband initiative. The government intends to spend up to \$300 million to improve rural broadband. Currently the government is negotiating a joint proposal from Telecom and Vodafone.

The Council indicated in last year's Annual Plan that the lead role in broadband development lies with other organisations such as Northpower. However, the Council remains ready to assist in any appropriate way that would deliver benefits to the economy and the future well-being of Northland.

The Council is assisting in the collaborative development of a broadband strategy for the region which will focus on the opportunities available through UFBB. These opportunities include new business processes, economic opportunities, productivity gains, expansion of existing businesses nationally and internationally. Other benefits include a step change in the availability of health and education services to Northlanders and providing a medium for the promotion of a wide range of social and cultural opportunities.

Northland Energy Forum

The Council and Enterprise Northland have facilitated the development of an Energy Forum. The Northland Energy Forum is a body of energy sector companies and consultants, large commercial energy users, local government and economic development practitioners, formed to discuss, formulate, advocate and endorse regional energy policy, strategies and projects. The Council and Enterprise Northland are providing the secretarial services for the forum.

Minerals Investigation

The Northland region contains a wide range of mineral commodities and currently produces cement, high quality ceramic clays, limestone for agriculture, and rock and sand aggregates. In addition, there are prospects for aluminium, bentonite, coal, copper, diatomite, feldspar sand, gold, kauri gum, lead, mercury, nickel, peat, phosphate, serpentinite, silica sand, zeolite and zinc. The potential economic benefits of discovering and developing Northland's mineral resources have been estimated at \$47 billion. Following support from public submissions on last year's annual plan, the Council contributed \$112,000 (including GST) to the cost of mineral investigations and/or assessments to be carried out with the additional financial support of the Far North District Council and the Ministry of Economic Development.

Consequently, one of the largest airborne geophysical surveys to have been carried out in New Zealand took place over Northland during February and March 2011. A light aircraft of a type used for topdressing carried out the survey using sensors in the tail of the aircraft. The data produced by the survey has a wide range of applications including understanding the complex Northland geology, mapping faults, resource assessment (including water, aggregate, clays and other minerals), foundation conditions for infrastructure, primary industry applications and land-use planning. The results will be made public later in the year following interpretation by GNS Science.



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Stock effluent truck disposal facilities

In order to reduce the amount of stock effluent spillage on the region's roads, the Council has previously budgeted \$101,250 (including GST) to provide two additional stock truck effluent disposal sites. The sites will not only reduce the incidence of illegal discharges, but will also improve road safety and promote public and environmental health.

Agreement was reached with a private effluent site operator in the Kaipara district, with a new site opened in late 2010. This new site is located on the premises of Kaipara Livestock Dargaville Ltd, on Beach Road, off State Highway (SH)12 and is being actively used by stock truck drivers. Funding to apply for a resource consent to increase the throughput of this facility has been approved by the Kaipara District Council. Work is proceeding with the NZ Transport Agency (NZTA) to increase the volume of this site.

In the Far North, a site at Pakaraka on SH1 has been identified and a scheme assessment report completed. NZTA has approved the funding for their share of the construction of the facility and associated roading costs. Construction and annual maintenance costs have been provided to the Far North District Council for their approval before work can commence.

A site in Whāngārei has been identified and investigations for the design and property arrangements are underway.

Northland Events Centre

The Northland Events Centre was formally opened by the Governor-General Sir Anand Satyanand on 28 May 2011.

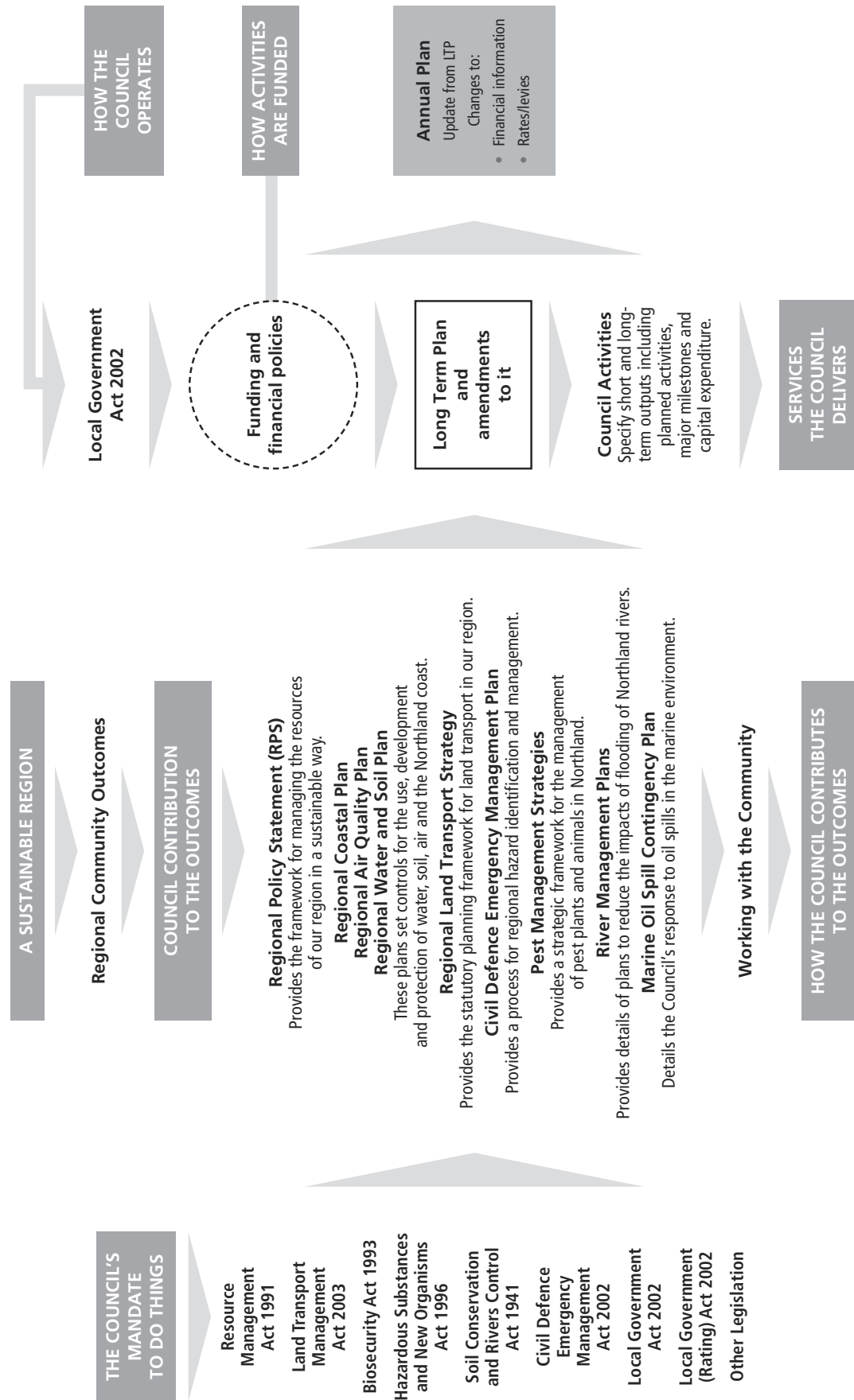
This premier facility was completed by the Regional Council on time and under-budget with over 80% of the \$18.5M project awarded to local businesses. Contractor Argon construction formally handed over the completed facility to the regional council in September 2010. Following enquiries from a member of the public during 2010, the Office of the Auditor General (OAG) conducted an investigation into the decision making processes of both council's in relation to the building of the NEC. The OAG made their report publicly available on 20 May 2011. The Regional Council is currently working through the process to hand over the facility to the Whāngārei District Council for ongoing management as previously agreed.

Unitary Authority Debate

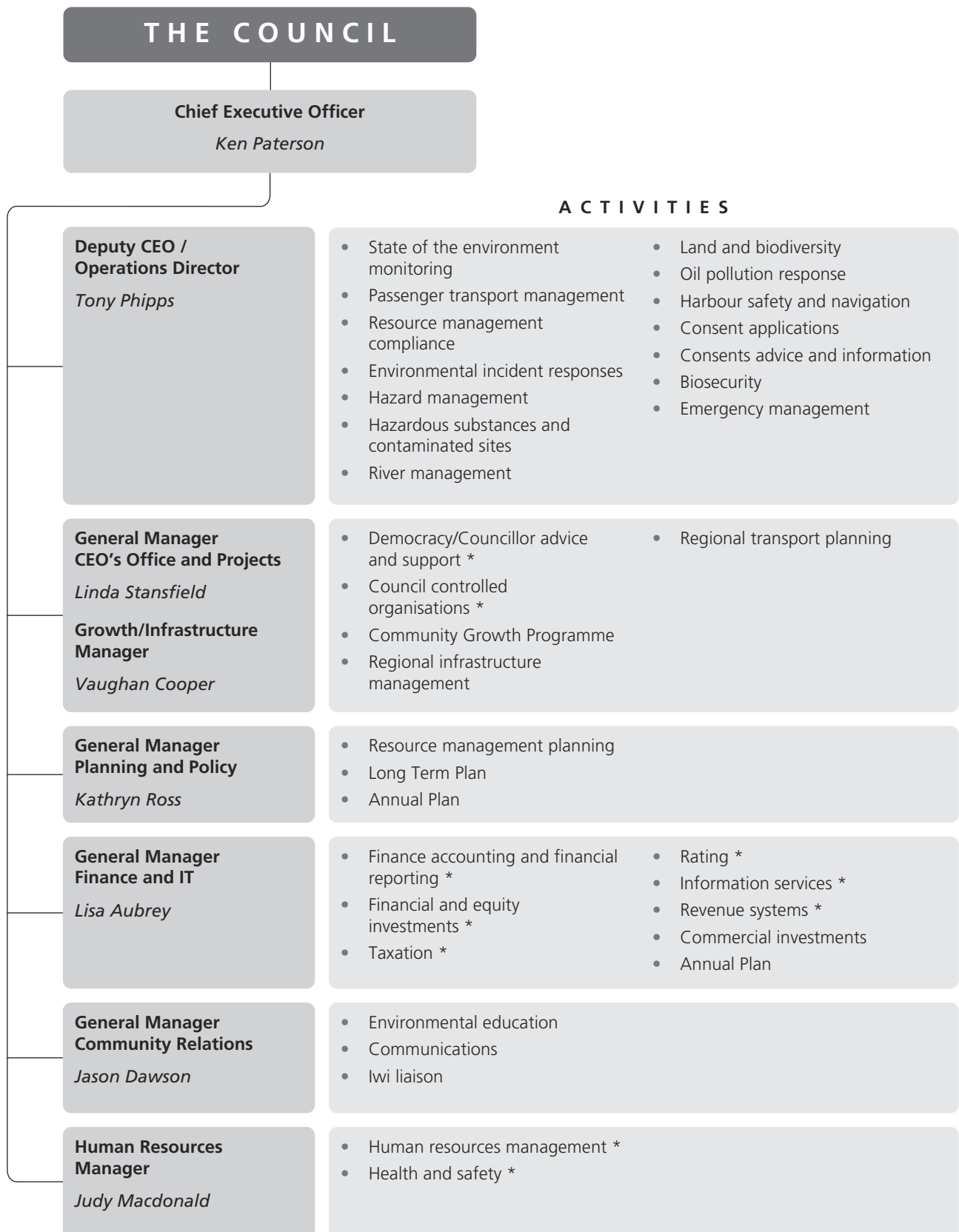
Independent commissioners have now released a report examining a proposal to reorganise Northland's local government into unitary authorities.

In the wake of this report, all Northland councils have agreed to actively seek ways to work more efficiently and effectively together to provide better services and value to the public.

council planning process



council management structure



* Activity support services

Background to staged redirection of investment income

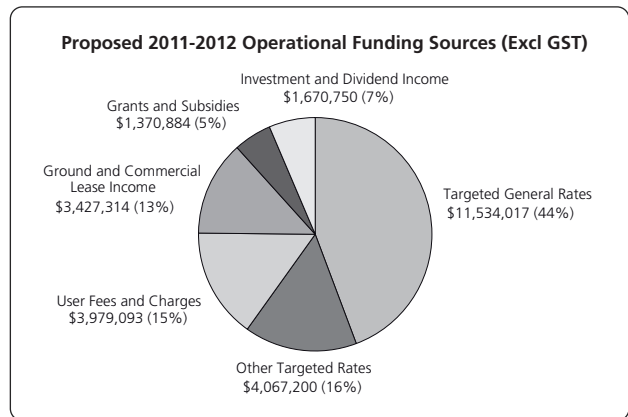
The Council’s operating expenses are funded through a variety of sources. The graph below shows where the 2011-2012 revenue outlined in this Annual Plan will be funded from. The graph reflects the start of the redirection of investment income with \$1.38 million going to the new Northland Regional Council Investment and Growth Reserve.

The change in the use of the investment income provides “future-proofing” to the Council and ratepayers against a sudden change in the investment income stream and preserves the Council’s current levels of service to the community. The redirection of the investment income over five years from a direct rates subsidy to specific projects will provide tangible benefits to Northlanders. The funding of such projects has long been a core activity of the Council and is reflected in the Regional Economic Development group of activities in the Northland Community Plan 2009-2019:

Activity 3.2 Economic Development

3.2.1 Support economic development initiatives that align with the Regional Community Growth Programme and/or benefit Northland.

- c. Provide community funding for regional initiatives undertaken by the Council or in joint venture or partnership with other authorities and organisations on a case by case basis.
- d. Develop a project funding strategy and risk assessment of any infrastructure priority that the Council decides to commit significant funding to.



Reasons for the redirection of investment income

Northland’s scores and relative positioning on the national socio-economic statistics need to be addressed, as does Northland’s infrastructure deficit, lack of infrastructure investment and the issue of affordability. Bringing regional infrastructure together with economic development could be a key beneficiary of this proposal to redirect Council investment income, providing additional funds to invest in the regions infrastructure needs.

financial overview

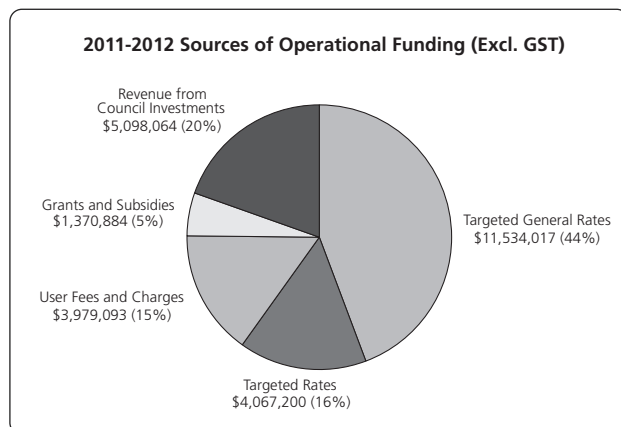
Operational Spending

We are forecasting total operational spending of \$25 million during 2011-2012.

Operational spending provides for all our day-to-day operations and services; things like working with the community to care for our environment – air, and water and coast. We also have flood management responsibilities, look after the navigational safety of all vessels in our region's harbours and work with regional and national agencies to help ensure the provision and security of core regional infrastructure like transport, energy and telecommunications. We administer Whāngārei's urban bus service and help plan the region's transport network, ensure there is enough water for everyone and work to protect our environment from harmful impacts of pest animals, pest plants and diseases. The Regional Council also coordinates Northland's Civil Defence Emergency Management Group.

Where will the money come from?

Operating expenses are funded through rates, fees and charges, grants and subsidies and other income. Rating provides 60% of the Council's income, fees and charges another 15% and grants and subsidies 5%. The balance comes from Council's investment income 20%.



General Rates

Our Annual Plan 2011-2012 calls for a rates increase of 15.3%, excluding targeted river management rates.

This follows a comprehensive review of Council operating budgets and is equivalent to a rates increase of about \$25.07 (including GST) per ratepayer. It covers inflationary increases, the cost of producing and auditing the 2012-2022 Long Term Plan, increased depreciation, other minor adjustments across Council activities and the staged redirection of Council's investment income.

Included within the 15.3% average rating increase is an increase in the targeted Regional Infrastructure Rate of 4.5% representing an average 35 cents (including GST) increase per ratepayer per annum.

The fixed charges for the Northland Regional Recreational Facilities Rate, Rescue Helicopter Services Rate and the Transport Rate have not been increased.

Rates collected for river management schemes are excluded from the above calculations.

What level of rates can you expect to pay

Proposed 2011-2012 Financial Year Rates

(assuming Land Value is \$225,000)	Far North (per SUIP) \$ Incl GST	Kaipara (per RU) \$ Incl GST	Whāngārei (per SUIP) \$ Incl GST
Targeted Council Services Rate	83.52	104.25	96.47
Targeted Land Management Rate	51.52	48.20	52.40
Regional Recreational Facilities Rate	5.75	5.75	28.75
Regional Infrastructure Rate	6.70	6.26	6.82
Rescue Helicopter Services Rate	8.22	8.22	8.22
Transport Rate (Whāngārei district)			12.04
TOTAL (including GST)	\$155.71	\$172.68	\$204.70

The above table identifies what your rates will be if your property has a land value of \$225,000. It should be noted the targeted Land Management Rate and Regional Infrastructure Rate are set as a rate in the dollar per dollar of land value. The rate in the dollar is different for each district as the rates are equalised using data provided by Quotable Value, to effectively align the three districts valuation dates. If the valuation dates were aligned, the Land Management Rate and Regional Infrastructure Rate would be set as the same rate in the dollar across all three districts.

Proposed Rate Movement from 2010-2011 to 2011-2012

	2010-2011 Annual Plan \$ Incl GST	2011-2012 Annual Plan \$ Incl GST	Movement \$ Incl GST
Targeted Council Services Rate	6,319,226	8,011,904	1,692,678
Targeted Land Management Rate	4,789,932	5,252,216	462,284
Regional Recreational Facilities Rate	1,378,413	1,400,775	22,362
Regional Infrastructure Rate	652,649	682,642	29,993
Rescue Helicopter Services Rate	723,571	713,022	(10,549)
Transport Rate (Whāngārei district)	471,969	472,048	78
TOTAL (including GST)	\$14,335,760	\$16,532,607	\$2,196,847

User Fees and Charges

We also impose fees and charges for some of our services.

Fees and Charges are applied in accordance with Council's Fees and Charges Policy.

The hourly staff charges and other fees across most activity areas have increased by approximately 5%. A number of other minor amendments were made to ensure the Charging Policy better reflects the legislative provisions which allow for cost recovery in certain areas, including setting fees for Emergency Works and Environmental Incidents and Maritime Related Incidents.

Refer to the pages 106 to 131 for further information, or refer to Council's website www.nrc.govt.nz for a copy of the 2011-2012 Charging Policy.

financial overview continued

A number of amendments to our charges were adopted for the Navigation, Water Transport and Maritime Safety Bylaw Charges 2011. These included increasing the Navigation Safety bylaw fee and removing fees for functions which are not carried out by Council. It is proposed to amend the fee tier structure for pilotage fees to increase the number of smaller ships (ships greater than 500GRT to 3000GRT, previously capped at 1000GRT) that will fall in the lower fee category and thereby encouraging more superyachts to visit the Bay of Islands.

For further information or refer to Council's website www.nrc.govt.nz for a copy of the Navigational Water Transport and Maritime Safety Bylaw Charges 2011.

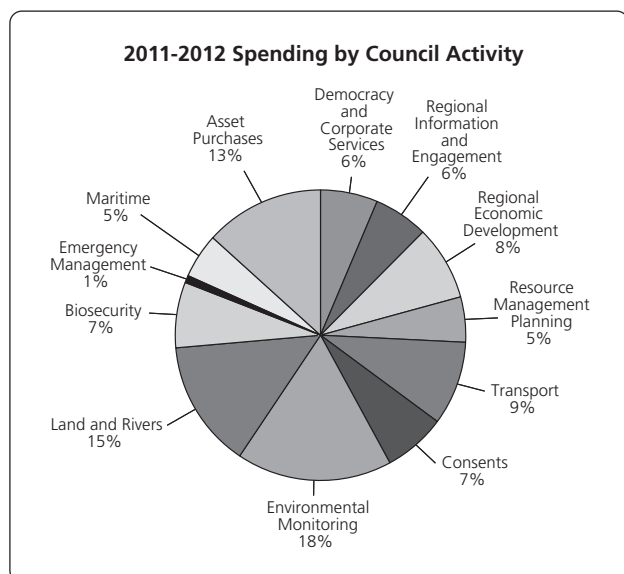
Grants and Subsidies

Council receives Government subsidies for some activities including transport planning and oil spill planning, state of the environment and biosecurity activities.

Expenditure

We are forecasting total gross spending of \$29.1 million during 2011-2012.

The graph below illustrates the allocation of our proposed spending by Council activity.



The cost of all activities includes a component of support services costs (Finance, Information Services, Human Resources and Records Management and Administration).

Capital Spending

Capital expenditure pays for property, plant and equipment.

The new capital expenditure proposed for 2011-2012 totals \$1,933,384 (excluding GST) and includes the cyclical replacement of plant and equipment \$444,348; information technology \$684,621; vehicle replacement \$250,000; and Kaeo and Tauranga Bay River works of \$554,415.

Repayment of the \$554,415 Kaeo and Tauranga Bay River capital works amount plus a financing cost (interest) of 7% per annum will be over seven years and will be funded from the targeted Kaeo-Whangaroa Rivers Management Rate.

New capital expenditure does not include any proposed carry forwards of unspent capital expenditure from the current financial year. At the end of the current financial year a review will be carried out on ongoing projects where capital expenditure remains unspent and where appropriate a proposal will be put to the Council's Audit and Finance Committee, requesting capital funding be carried forward into the 2011-2012 financial year to enable projects to be completed.

The Council funds its capital expenditure consistent with the Revenue and Financing policy. *The Revenue and Financing Policy is set out on pages 62 to 89 in Volume Two of the 2009-2019 Northland Community Plan.*

2011-2012 projected LTCCP budget compared to forecast 2011-2012 Annual Plan budget

Understanding the reason for the variance between the LTCCP forecast 2011-2012 budget and proposed 2011-2012 Annual Plan

Operating Expenditure

The Council's Community Plan estimates the Council's total estimated operating expenditure for the 2011-2012 financial year at \$25,403,295.

This compares to a lower \$25,121,347 spend forecast in the Annual Plan 2011-2012.

The \$281,948 represents a 1.11% reduced spend to that signalled in the Community Plan, and is predominantly due to a reduction resulting from a change in the accounting treatment of the Marsden Point Rail Link Joint Venture \$404,000 (surplus now repaying reserves), a reduction of the Awanui River Management maintenance expenditure of \$157,000, reduction of the Kaeo-Whangaroa Rivers maintenance expenditure \$72,000 (capital works to be carried out in the 2011-2012 financial year), reduced expenditure due to revised bus and mobility service contract costs \$290,000, and reduced expenditure on forestry management of \$65,000 following the 2009-2010 harvest. These operational expenditure savings of \$988,000 are largely offset by the introduction of the Whāngārei rivers works of \$593,000, an increase in depreciation of \$75,000 and other minor activity adjustments.

Operating Revenue

The Council's Community Plan estimates the Council's total estimated operating revenue for the 2011-2012 financial year at \$26,019,124. This compares to a higher revenue forecast of \$27,526,774 in the Annual Plan 2011-2012.

The increase of \$1.5M is largely a result of the staged redirection of Council investment income to be aside for projects that will enhance the well-being of the region of \$1.38M.

The Council's Community Plan estimated Council's capital expenditure for the 2011-2012 financial year at \$1,546,731. The Annual Plan 2011-2012 has a projection of \$1,933,384. The increase of \$386,653 is predominantly due to the flood mitigation works proposed for Kaeo. The initial funding of these proposed works comes from Council reserves with repayment of the capital amount, plus financing costs (interest) of 7% per annum over a seven year period. This will be funded from the targeted Kaeo-Whangaroa Rivers Management Rate.

Funding Impact Statement

The Funding Impact Statement is stated excluding GST.

The total estimated gross expenditure requiring funding by the Northland Regional Council for 2011-2012 is \$27,929,634. Total expenditure will be funded from the sources listed (excluding GST). These funding/financing sources are consistent with the Revenue and Financing Policy. *The Revenue and Financing Policy is set out on pages 62 to 89 in Volume Two of the 2009-2019 Northland Community Plan.*

Prospective Funding Impact Statement

for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
Operating Expenditure	25,403,295	25,121,347	281,948
Internal Finance Costs	595,444	1,026,061	(430,617)
Capital Expenditure	1,546,731	4,008,595	(2,461,864)
Less Non-Cash expenditure	1,125,292	2,226,369	(1,101,077)
Net Operating and Capital Expenditure to be funded	26,420,178	27,929,634	(1,509,456)
Funded by:			
Targeted Council Service Rate	4,984,812	6,966,873	1,982,061
Targeted Land Management Rate	4,138,839	4,567,144	428,305
Regional Infrastructure Rate	598,787	593,602	(5,185)
Northland Regional Recreational Facilities Rate	1,147,910	1,218,065	70,155
Targeted Rates	2,264,284	2,255,533	(8,751)
User Charges	4,085,083	3,956,038	(129,045)
Rental Income	3,288,634	3,427,314	138,680
Dividends	1,367,712	1,328,574	(39,138)
Interest	2,774,482	1,717,631	(1,056,851)
Internal Interest Income	595,444	–	(595,444)
Subsidies and Grants	1,232,703	1,370,884	138,181
Sundry Income	33,817	23,055	(10,762)
Transfers from/(to) Cash Reserves	(92,329)	504,920	597,249
Total Funding	26,420,178	27,929,634	1,509,456

financial overview continued

Rates

Uniform Annual General Charge

The Council does not assess a Uniform Annual General Charge.

Targeted General Rates

The Northland Regional Council levies two rates which are applied as targeted general rates, these being the targeted Council Services Rate and the targeted Land Management Rate. Targeted general rates are paid on all rateable properties in the Northland region.

Targeted Council Services Rate

What it funds

The Council will fund activities which are carried out pursuant to the Resource Management Act 1991, the Local Government Act 2002, the Maritime Transport Act 1994 and Maritime Bylaws and any other activities which are not covered by any other funding source, by a targeted council services rate. This rate will fund the costs remaining after appropriate user fees and charges and a share of investment income have been taken into account.

How it is set

The targeted Council Services Rate is a fixed rate, differentiated by location. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. An additional \$1.73 (including GST) per separately used or inhabited part (SUIP) of rating units is to be levied across the Whāngārei Constituency to provide \$67,629 to fund the ongoing maintenance needs of the Hātea River channel. This rating policy recognises that a differentiated fixed charge on separately used or inhabited part (SUIP) of each rating unit or per rating unit (property) links better to environmental planning, strategic planning, education, public advice, the public good elements of issuing resource consents, regional advocacy and transport planning where the link to land value is very weak.

For efficiency, the targeted Northland Regional Recreational Facilities Rate, the targeted Council Services Rate and the targeted Rescue Helicopter Services Rate will be shown as a single amount on the face of the joint regional and district rates assessments issued by the Kaipara District Council and the Far North District Council, with the amounts and descriptions of the separate rates shown clearly on the reverse of all assessments.

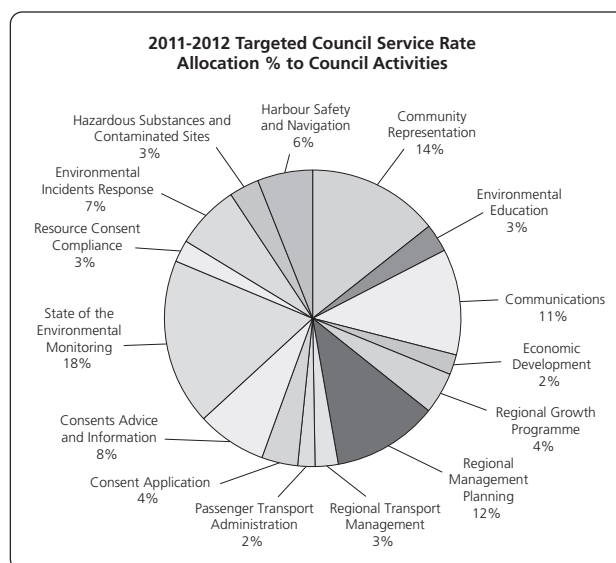
How much is the rate?

The estimated total General Rate amounts to \$8,011,904 (including GST) for the 2011-2012 financial year.

The General Rate payable in respect of each rating unit in the Kaipara District, and each separately used or inhabited part (SUIP) of rating units in the Far North and Whāngārei Districts of the Northland region, will be levied as follows:

District	Excl GST	Incl GST	
Far North	\$72.63	\$83.52	per SUIP
Kaipara	\$90.65	\$104.25	per rating unit
Whāngārei	\$83.89	\$96.47	per SUIP

How is the rate applied



Targeted Land Management Rate

What it funds

The Council will fund activities that are carried out pursuant to the Biosecurity Act 1993, the Soil Conservation and Rivers Control Act 1941 and the Civil Defence Emergency Management Act 2002 and the implementation of the Resource Management Act, by a land value based targeted rate.

The targeted Land Management Rate will specifically fund land and general river management planning, minor river works and pest plant and pest animal control functions that have a direct relationship to land.

The land value rates to be levied across all sectors of the Northland community recognises that all communities benefit from the protection of forests, the prevention of soil erosion, and the minimisation of damage by floodwaters and resulting improvements in the quality of natural water.

How it is set

This rate is levied on the land value of each rating unit or separately used or inhabited part (SUIP) of a rating unit in the region. The rate is set as a cents in the dollar, per dollar of the actual rateable land value. This varies by district, as it is set and allocated on the basis of projected land value. The Council does not apply a differential on this rate.

How much is the rate?

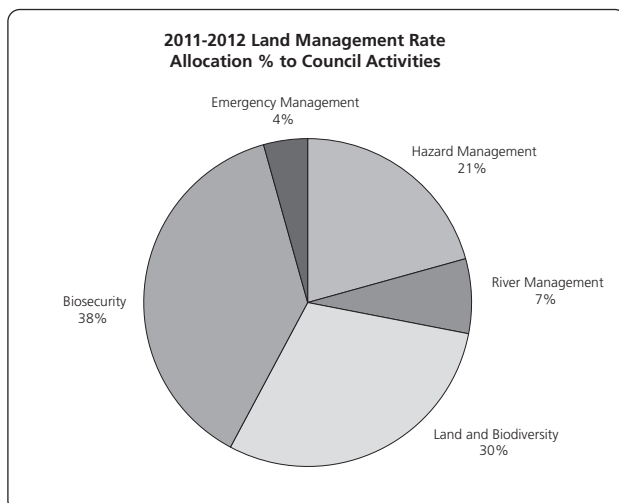
The estimated total targeted Land Management Rate amounts to \$5,252,216 (including GST) for the 2011-2012 financial year.

The following table shows the actual and equalised land value for each district and sets the rate in the dollar for each district based on the equalised land values.

District	Actual Land Value \$(000)'s	Equalised Land Value \$(000)'s	Rate per \$100,000 of Actual Land Value Excl GST	Rate per \$100,000 of Actual Land Value Incl GST
Far North	8,540,821	8,338,223	\$19.91	\$22.90
Kaipara	4,614,126	4,214,588	\$18.63	\$21.42
Whāngārei	9,911,750	9,842,665	\$20.26	\$23.29

It is important to note that if all districts had the same valuation date, each district would have the same rate per dollar each \$100,000 of actual land value.

How is the rate applied?



Targeted Rates

The following Targeted Rates are intended for 2011-2012:

Targeted Rate – Northland Regional Recreational Facilities

What it funds

It is intended to fund the development of the Regional Events Centre.

How it is set

The Northland Regional Recreation Facilities Rate will be a targeted and differentiated rate of \$28.75 (including GST) to each separately used or inhabited part (SUIP) of rating units in the Whāngārei District constituency and \$5.75 (including GST) separately used or inhabited part (SUIP) of rating units in the Far North District constituency and \$5.75 (including GST) per rating unit in the Kaipara District constituency.

For efficiency the targeted Northland Regional Recreational Facilities Rate, the targeted Council Services Rate and the targeted Rescue Helicopter Services Rate will be shown as a single amount on the face of the joint regional and district rates assessments issued by the Kaipara District Council and Far North District Council, with the amounts and descriptions of the separate rates shown clearly on the reverse of all assessments.

How much is the rate?

The estimated total targeted Northland Regional Recreational Facilities Rate amounts to \$1,400,775 (including GST) for the 2011-2012 financial year.

The rate is to be levied as follows:

District	Excl GST	Incl GST	
Far North	\$5.00	\$5.75	per SUIP
Kaipara	\$5.00	\$5.75	per rating unit
Whāngārei	\$25.00	\$28.75	per SUIP

How is the rate applied?

This rate is applied 100% to the development of the Regional Events Centre which forms part of the Economic Development Activity.

financial overview continued

Targeted Rate – Regional Infrastructure

What it funds

The Council will fund activities relating to the development and/or completion of regional infrastructure projects, beginning with the Marsden Point Rail Link project.

How it is set

This rate is levied on the land value of each rating unit or separately used or inhabited part (SUIP) of a rating unit in the region. The rate is set as a cents in the dollar, per dollar of the actually rateable land value. This varies by district, as it is set and allocated on the basis of projected land value. The Council does not apply a differential on this rate.

How much is the rate?

The estimated total targeted Regional Infrastructure Rate amounts to \$682,642 (including GST) for the 2011-2012 financial year.

The following table shows the actual and equalised land value for each district and sets the rate in the dollar for each district based on the equalised land values.

District	Actual Land Value \$(000)'s	Equalised Land Value \$(000)'s	Rate per \$100,000 of Actual Land Value Excl GST	Rate per \$100,000 of Actual Land Value Incl GST
Far North	8,540,821	8,338,223	\$2.59	\$2.98
Kaipara	4,614,126	4,214,588	\$2.42	\$2.78
Whāngārei	9,911,750	9,842,665	\$2.63	\$3.03

How is the rate applied?

This rate is applied 100% to the funding infrastructure development activity. The proceeds from this rate will be applied to funding the Marsden Point Rail Link designation.

Targeted Rate – Rescue Helicopter Services

What it funds

The Council will collect the targeted Rescue Helicopter Services Rate to provide funding certainty to the Northland Emergency Services Trust which administers the Northland Rescue Helicopter. The rescue helicopter provides emergency services to the benefit to all Northlanders.

How it is set

The Rescue Helicopter Service Rate is to be levied as a targeted fixed rate set on a uniform basis. The fixed charge is to be levied on each rating unit in the Kaipara District and each separately used or inhabited part (SUIP) of rating units in the Far North and Whāngārei Districts of the Northland Region.

For efficiency the targeted Northland Regional Recreational Facilities Rate, the targeted Council Services Rate and the targeted Rescue Helicopter Services Rate will be shown as a single amount on the face of the joint regional and district rates assessments issued by the Kaipara District Council and Far North District Council, with the amounts and descriptions of the separate rates shown clearly on the reverse of all assessments.

How much is the rate?

The estimated total targeted Rescue Helicopter Services Rate amounts to \$713,022 (including GST) for the 2011-2012 financial year.

The fixed charge is set for on each rating unit in the Kaipara District and each separately used or inhabited part (SUIP) of rating units in the Far North and Whāngārei Districts of the Northland region being \$8.22 (including GST) or \$7.15 (excluding GST).

How is the rate applied?

The targeted Rescue Helicopter Services Rate collected will be applied to the Northland Emergency Services Trust. The collection and payment of this rate forms part of the Economic Development Activity.

Targeted Rate – Transport Rate (Whāngārei District)

What it funds

To fund the local contribution required to fund the Whāngārei bus passenger transport service.

How it is set

The rate is to be set by way of a set fixed charged levied on each separately used or inhabited part (SUIP) of rating units in the Whāngārei District.

How much is the rate?

The estimated total targeted Transport Rate amounts to \$472,048 (including GST) for the 2011-2012 financial year.

The fixed charge will be set at \$12.04 (including GST) or \$10.47 (excluding GST) for each separately used or inhabited part (SUIP) of rating units in the Whāngārei District.

How is the rate applied?

The targeted Transport Rate will be applied to the Regional Transport Management Activity to subsidise bus passenger transport in the Whāngārei District.

Targeted Rate - Awanui River Management Rate

What it funds

To fund works on the Awanui Flood Management Scheme.

How it is set

The Awanui River Flood Management Scheme is funded by a targeted and differentiated rate based on indirect benefit, direct benefit and to the extent that land use increases the need for the scheme (for example, clearing land of forest), as set out in that Management Plan and its Rating District for the Awanui River Catchment and tributaries as described in the Awanui River Flood Management Scheme. The rate is set differentially as follows:

	Excl GST	Incl GST
1. Urban rate class UA (floodplain location) \$128.11 (including GST) direct benefit plus \$12.81 (including GST) indirect benefit, total per each separately used or inhabited parts of a rating unit:	\$122.54	\$140.92
2. Urban rate classes UF (higher ground) \$12.81 (including GST) direct benefit plus \$12.81 (including GST) indirect benefit, total per rating each separately used or inhabited parts of a rating unit:	\$22.28	\$25.62
3. Commercial differential factor:		3.0
4. Rural rate differentiated by class, \$7.88 (including GST) per each separately used or inhabited parts of a rating unit of indirect benefit plus a rate per hectare for each of the following classes of land in the defined Kaitāia Flood Rating District.	\$6.85	\$7.88

The rating classifications and the rate charged are illustrated as follows:

Awanui River Management Rate		Rate per Ha Excl GST	Rate per Ha Incl GST
Class	Description		
A1/A2	Maximum benefit; peat basins, low-lying reclaimed tidal land; alluvial land at risk from frequent ponding and flooding.	\$14.13	\$16.24
B1/B2	High benefit land subject to floodwater flows but not ponding as floods recede.	\$10.59	\$12.18
C	Moderate benefit; land floods less frequently and water clears quickly.	\$7.06	\$8.12
E	Land in flood ways and ponding areas that receive no benefit and land retained in native bush that provides watershed protection.	–	–
F	Contributes runoff waters, and increases the need for flood protection.	\$0.56	\$0.65

How much is the rate?

The estimated total Awanui River Management Rate amounts to \$486,288 (including GST) for the 2011-2012 financial year. The revenue sought from each category of rateable land will be as follows:

		Total Revenue \$ Excl GST	Total Revenue \$ Incl GST
Class A	Rural	42,321	48,669
Class B	Rural	33,467	38,488
Class C	Rural	11,414	13,126
Class F	Rural	11,324	13,023
Indirect benefit	Rural	11,788	13,556
Urban A		175,953	202,346
Urban F		14,482	16,654
Commercial differential	Majority Urban	122,110	140,426
Total Rate		\$422,859	\$486,288

How is the rate applied?

The rate is applied 100% to Awanui River Management works which forms part of the River Management Activity.

financial overview continued

Targeted Rate - Kaihū River Management Rate

What it funds

To fund works on the Kaihū River Management Scheme.

How it is set

To fund channel maintenance work carried out in accordance with the Kaihū River Flood Management Plan by way of a targeted and differentiated rate based on the level of benefit to land and rating units, falling within the Kaihū River Management area. The Council will set the rate differently as follows:

1. Class A - land on the floodplain and side valleys downstream of the Rotu Bottleneck, rate is applied per hectare of land.
2. Class B - land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck, rate is applied per hectare of land.
3. Catchment Rate - balance of land within the Kaihū River rating area not falling within class A and class B, rate is applied per hectare of land.
4. Urban Contribution - a contribution from Kaipara District Council instead of a separate rate per property.

The rating classifications and the rate charged are illustrated as follows:

Kaihū River Management Rate		Rate per Ha Excl GST	Rate per Ha Incl GST
Class	Description		
A	Land on the floodplain and side valleys downstream of the Rotu Bottleneck.	\$22.28	\$25.62
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck.	\$11.14	\$12.81
Catchment Rate	Balance of rateable land within the Kaihū River rating area.	\$1.67	\$1.92
Urban Contribution	A contribution from Kaipara District Council instead of a separate rate per property.	\$4,951 per annum	\$5,694 per annum

How much is the rate?

The estimated targeted Kaihū River Management Rate amounts to \$90,404 (including GST) in the 2011-2012 financial year. The revenue sought from each category of rateable land will be as follows:

	Total Revenue \$ Excl GST	Total Revenue \$ Incl GST
Class A	25,022	28,775
Class B	17,215	19,797
Catchment Rate	31,424	36,138
Urban Contribution	4,951	5,694
	\$78,612	\$90,404

How is the rate applied?

The rate is applied 100% to Kaihū River Management works which forms part of the River Management Activity.

Targeted Rate – Kaeo-Whangaroa Rivers Management Rate

What it funds

This rate will be used to fund operational and capital flood scheme works in Kaeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams from Taupo Bay to Te Ngāire.

How it is set

A fixed targeted Kaeo-Whangaroa Rivers Management Rate for the 2011-2012 year, set on a uniform basis across all rateable properties within the former Whangaroa Ward (falling between rating roles 100 -199). The fixed targeted Kaeo-Whangaroa Rivers Management Rate is payable in respect of each separately used or inhabited part of rating units falling between rating roles 100 -199.

How much is the rate?

The estimated targeted Kaeo-Whangaroa Rivers Management Rate amounts to \$150,405 (including GST) in the 2011-2012 financial year. The fixed levy of \$74.53 (including GST) or \$64.81 (excluding GST) will be applied to each separately used or inhabited part of rating units falling between rating roles 100 -199.

How is the rate applied?

The rate is applied 100% to Kaeo-Whangaroa Rivers Management works which forms part of the River Management Activity.

Targeted Rate – Whāngārei Urban Rivers Management Rate

What it funds

To fund stage 1 (of 3) of the flood risk reduction project for the Whāngārei CBD.

Stage 1 consists of maintenance works on the existing river channels within the CBD and a contribution towards the upgrade of the Rust Avenue bridge.

How it is set

The Whāngārei Urban Rivers Management Rate is a targeted rate differentiated by location and category and set as a fixed amount per rating unit as follows:

Category	Excl GST	Incl GST
1. Commercial properties located in the Whāngārei CBD flood area	\$215.50	\$247.83
2. Residential properties located in the Whāngārei CBD flood area	\$81.90	\$94.19
3. Properties in the contributing water catchment areas	\$28.88	\$33.21

How much is the rate?

The estimated targeted Whāngārei Urban Rivers Management Rate amounts to \$681,697 (including GST) in the 2011-2012 financial year.

The estimated targeted Whāngārei Urban Rivers Management Rate amounts to \$681,697 (including GST) in the 2011-2012 financial year. The revenue sought from each category is as follows:

Category	Excl GST	Incl GST
1. Commercial properties located in the Whāngārei CBD flood area	\$143,092	\$164,556
2. Residential properties located in the Whāngārei CBD flood area	\$8,026	\$9,230
3. Properties in the contributing water catchment areas	\$441,662	\$507,911
	\$592,780	\$681,697

How is the rate applied?

The rate is applied 100% to Whāngārei Urban Rivers Management works which form part of the River Management Activity. +

Further Rating information

Three Northland district councils collect rates on behalf of the Northland Regional Council and hold delegated powers to discount, remit, postpone or add penalties to the regional rate, as resolved by the Far North, Kaipara and Whāngārei District Councils.

A rating unit or separately used or inhabited part of a rating unit is defined as follows:

A separately used or occupied part of a rating unit includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

Northland Regional Council will apply the definitions of the Far North, Kaipara and Whāngārei District Councils to determine a rating unit within each district.

Inspection and objection to Council's Rating Information Database

The Rating Information Database (RID) for each District is available at the relevant district council and on the district council's websites, the website addresses are:

- www.fndc.govt.nz
- www.wdc.govt.nz
- www.kaipara.govt.nz

Ratepayers have the right to inspect the RID records and can object on the grounds set out in the Local Government (Rating) Act 2002.

financial overview continued

Funding Impact Statement – Table of Rates

The following table illustrates the distribution of the regional rate on the actual and forecast bases for the current year and the next financial year 2011-2012. The actual and projected apportionment of rates between constituent districts of Northland is as follows, based on the Valuation Roll at 30 June in each year:

District Valuation Roll Estimate - 30 June 2011	No of RU (Kaipara or SUIP (others))	Capital Value \$000s	Land Value \$000s	Equalised Capital Value \$000s	Equalised Land Value \$000s	Equalised CV%	Equalised LV%
Far North District	34,891	14,465,312	8,540,821	14,195,245	8,338,233	36.68%	37.23%
Kaipara District	12,620	6,852,099	4,614,126	6,408,768	4,214,588	16.56%	18.82%
Whāngārei District	39,205	18,299,470	9,911,750	18,100,371	9,842,665	46.76%	43.95%
Total Valuation - Northland	86,716	39,616,881	23,066,697	39,704,384	22,395,486	100.00%	100.00%

	Budgeted Rates 2011-2012 (including GST)				Budgeted Rates 2010-2011 (including GST)			
	Far North District	Kaipara District	Whāngārei District	Total	Far North District	Kaipara District	Whāngārei District	Total
Targeted Council Services Rate (calculated on CV)								
Rate per SUIP	\$83.52			2,914,253	\$69.00			2,386,710
Rate per RU		\$104.25		1,315,603		\$80.43		993,935
Rate per SUIP			\$96.47	3,728,048			\$76.25	2,938,581
				<u>8,011,904</u>				<u>6,319,226</u>
Targeted Land Management Rate (calculated on LV)								
Rate per \$ of Actual LV	0.0002290			1,955,549	0.0001823			1,916,608
Rate per \$ of Actual LV		0.0002142		988,553		0.0001788		824,596
Rate per \$ of Actual LV			0.0002329	2,308,114			0.0002025	2,048,728
				<u>5,252,216</u>				<u>4,789,932</u>
Targeted Rate – Northland Regional Recreational Facilities Rate (fixed)								
Rate per SUIP	\$5.75			200,802	\$5.75			199,069
Rate per RU		\$5.75		72,630		\$5.75		71,122
Rate per SUIP			\$28.75	1,127,343			\$28.75	1,108,222
				<u>1,400,775</u>				<u>1,378,413</u>
Targeted Rate – Regional Infrastructure Rate (calculated on LV)								
Rate per \$ of Actual LV	0.0000298			254,388	0.0000248			261,209
Rate per \$ of Actual LV		0.0000278		128,411		0.0000243		112,209
Rate per \$ of Actual LV			0.0000303	299,843			0.0000276	279,231
				<u>682,642</u>				<u>652,649</u>

	Budgeted Rates 2011-2012 (including GST)				Budgeted Rates 2010-2011 (including GST)			
	Far North District	Kaipara District	Whāngārei District	Total	Far North District	Kaipara District	Whāngārei District	Total
Targeted Rate – Rescue Helicopter Services Rate								
(fixed)								
Rate per SUIP	\$8.22			286,891	\$8.46			292,771
Rate per RU		\$8.22		103,768		\$8.46		104,598
Rate per SUIP			\$8.22	322,363			\$8.46	326,203
				<u>713,022</u>				<u>723,571</u>
Targeted Rate – Transport Rate								
(fixed)								
Rate per SUIP – Whāngārei only			\$12.04	472,048			\$12.25	472,019
Awanui River Management Rate								
(on area)								
Far North District – Rural				128,199				245,433
Far North District – Urban				358,089				357,818
				<u>486,288</u>				<u>603,251</u>
Kaihū River Management Rate								
Kaipara				90,404				90,404
Kaeo-Whangaroa Rivers Management Rate								
Far North – Kaeo only				150,405				136,549
Whāngārei Urban Rivers Management Rate								
Whāngārei				681,697				–
Total Rates								
Far North District				\$6,248,576				\$5,796,166
Kaipara District				\$2,699,369				\$2,196,863
Whāngārei District				\$8,993,456				\$7,172,935
				<u>\$17,941,401</u>				<u>\$15,165,964</u>

financial overview continued

How much will my rates be?

Presented on the next four pages is a selection of example rates for properties falling within each constituent district in the Northland region. The tables show the total rates that different groups of ratepayers will incur under this plan.

The estimated rates detailed above are based on the revenue required from each rate and the estimated capital or land values of the constituent districts of the region. The capital or land values of the constituent part of the region used to set the rates will be based on the district valuation rolls as at 30 June. Therefore values may differ from those used in these calculations.

Ratepayers in the Whāngārei constituency

Whāngārei ratepayers will be levied per separately used or inhabited part of rating units: (1) a targeted Council Services Rate, differentiated by location, projected capital value as assessed by certificate of projected value of the district at 30 June, with an additional charge of \$1.73 (including GST) to fund the maintenance of the Hātea Channel; (2) a targeted Land Management Rate based on the equalised land value of the property, and (3) a fixed targeted Northland Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property; (5) a fixed targeted Transport Rate; (6) a fixed targeted Rescue Helicopter Services Rate, (7) a targeted Whāngārei Urban Rivers Management Rate differentiated by location and category and set as a fixed amount per rating unit. All rates include GST.

Whāngārei Urban/Rural/Other	Land Value \$	2011-2012 Rates \$ Incl GST
Land Management Rate = LV rate in the \$ = \$0.0002329		
Infrastructure Rate = LV rate in the \$ = \$0.0000303		
Residential Property (non CBD) – Targeted Council Services Rate		96.47
Targeted Land Management Rate	120,000	27.95
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		3.64
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$177.07
Residential Property (non CBD) – Targeted Council Services Rate		96.47
Targeted Land Management Rate	225,000	52.40
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		6.82
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$204.70
Residential Property in the CBD Area – Targeted Council Services Rate		96.47
Targeted Land Management Rate	\$225,000	52.40
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		6.82
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Whāngārei Urban River Management Rate		94.19
Total Regional Rates (including GST)		\$298.89

Ratepayers in the Whāngārei constituency continued

Whāngārei Urban/Rural/Other		2011-2012
Land Management Rate = LV rate in the \$ = \$0.0002329	Land	Rates
Infrastructure Rate = LV rate in the \$ = \$0.0000303	Value \$	\$ Incl GST
Residential Property in the Stormwater Catchment Area – Targeted Council Services Rate		96.47
Targeted Land Management Rate	\$225,000	52.40
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		6.82
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Whāngārei Urban River Management Rate		33.21
Total Regional Rates (including GST)		\$237.91
Farm Property – Targeted Council Services Rate		96.47
Targeted Land Management Rate	\$2,750,000	640.48
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		83.33
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$869.29
Commercial Property (non CBD) – Targeted Council Services Rate		96.47
Targeted Land Management Rate	2,000,000	465.80
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		60.60
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$671.88
Commercial Property in the CBD Area – Targeted Council Services Rate		96.47
Targeted Land Management Rate	\$2,000,000	465.80
Northland Regional Recreational Facilities Rate		28.75
Regional Infrastructure Rate		60.60
Transport Rate		12.04
Rescue Helicopter Services Rate		8.22
Whāngārei Urban River Management Rate		247.83
Total Regional Rates (including GST)		\$919.71

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Ratepayers in the Kaipara constituency

Kaipara ratepayers will be levied (1) a targeted Council Services Rate, differentiated by location, projected capital value as assessed by certificate of projected value of the district at 30 June (2) a targeted Land Management Rate based on the equalised land value of the property, and (3) a fixed targeted Northland Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property; (5) a fixed targeted Rescue Helicopter Services Rate per rating unit, and (6) the Kaihū River Management Rate, based on land area, and level of benefit to land and rating units. All rates include GST.

Kaipara Urban/Rural	Land Value \$	2011-2012 Rates \$ Incl GST
Land Management Rate = LV rate in the \$ = \$0.0002142		
Infrastructure Rate = LV rate in the \$ = \$0.0000278		
Residential property, Targeted Council Services Rate		104.25
Targeted Land Management Rate	120,000	25.70
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		3.34
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$147.26
Residential property, Targeted Council Services Rate		104.25
Targeted Land Management Rate	225,000	48.20
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		6.26
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$172.68
Farm property, Targeted Council Services Rate		104.25
Targeted Land Management Rate	2,750,000	589.05
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		76.45
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$783.72
Commercial property, Targeted Council Services Rate		104.25
Targeted Land Management Rate	900,000	192.78
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		25.02
Rescue Helicopter Services Rate		8.22
Total Regional Rates (including GST)		\$336.02

Property Kaihū River Catchment	Land Value \$	Class A \$ Incl GST	Class B \$ Incl GST	Class C \$ Incl GST
10 hectares				
Targeted Council Services Rate		104.25	104.25	104.25
Targeted Land Management Rate	120,000	25.70	25.70	25.70
Northland Regional Recreational Facilities Rate		5.75	5.75	5.75
Regional Infrastructure Rate		3.34	3.34	3.34
Rescue Helicopter Services Rate		8.22	8.22	8.22
Kaihū River Management Rate		256.22	128.10	19.20
Total Regional Rates (including GST)		\$403.48	\$275.36	\$166.46

Property Kaihū River Catchment	Land Value \$	Class A \$ Incl GST	Class B \$ Incl GST	Class C \$ Incl GST
100 hectares				
Targeted Council Services Rate		104.25	104.25	104.25
Targeted Land Management Rate	600,000	128.52	128.52	128.52
Northland Regional Recreational Facilities Rate		5.75	5.75	5.75
Regional Infrastructure Rate		16.68	16.68	16.68
Rescue Helicopter Services Rate		8.22	8.22	8.22
Kaihū River Management Rate		2,562.20	1,281.00	192.00
Total Regional Rates (including GST)		\$2,825.62	\$1,544.42	\$455.42

Ratepayers in the Far North constituency

Far North District ratepayers will be levied per separately used or inhabited part of rating units: (1) a targeted Council Services Rate, differentiated by location, projected capital value as assessed by certificate of projected value of the district at 30 June; (2) a targeted Land Management Rate based on the equalised land value of the property; (3) a fixed targeted Northland Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the equalised land value of the property; (6) a fixed targeted Rescue Helicopter Services Rate (7) the Awanui River Management Rate, classes UA/UF and A to F.; (8) a targeted Kaeo-Whangaroa Rivers Management Rate set on a uniform basis across all properties within the former Whangaroa Ward (rating rolls 100-199). All rates include GST.

Far North District Land Management Rate = LV rate in the \$ = \$0.0002290 Infrastructure Rate = LV rate in the \$ = \$0.0000298	Land Value \$	Urban UA Low Land \$ Incl GST	Urban UF Hills \$ Incl GST	Commercial # Urban UA \$ Incl GST
Urban area (1 hectare or less) Residential and Commercial				
Targeted Council Services Rate		83.52	83.52	83.52
Targeted Land Management Rate	120,000	27.48	27.48	27.48
Northland Regional Recreational Facilities Rate		5.75	5.75	5.75
Regional Infrastructure Rate		3.58	3.58	3.58
Rescue Helicopter Services Rate		8.22	8.22	8.22
Awanui River Management Rate		140.92	25.62	422.76
Total Regional Rates (including GST)		\$269.47	\$154.17	\$551.31

Including GST	Land Value \$	Commercial # A	Commercial # B	Rural Class A	Rural Class B	Rural Class C	Rural Class E	Rural Class F
Lifestyle – 10 hectares								
Targeted Council Services Rate		83.52	83.52	83.52	83.52	83.52	83.52	83.52
Targeted Land Management Rate	450,000	103.05	103.05	103.05	103.05	103.05	103.05	103.05
Northland Regional Recreational Facilities Rate		5.75	5.75	5.75	5.75	5.75	5.75	5.75
Regional Infrastructure Rate		13.41	13.41	13.41	13.41	13.41	13.41	13.41
Rescue Helicopter Services Rate		8.22	8.22	8.22	8.22	8.22	8.22	8.22
Awanui River Management Rate #		884.34	762.54	170.28	129.68	89.08	7.88	14.38
Total Regional Rates (including GST)		\$1,098.29	\$976.49	\$384.23	\$343.63	\$303.03	\$221.83	\$228.33

Including GST	Land Value \$	Farms outside Awanui Plan	Non Farm Com A & B	Farm	Farm	Farm	Farm	Farm
Farm property – No commercial differential – 100 hectares								
Targeted Council Services Rate		83.52	83.52	83.52	83.52	83.52	83.52	83.52
Targeted Land Management Rate	2,750,000	629.75	629.75	629.75	629.75	629.75	629.75	629.75
Northland Regional Recreational Facilities Rate		5.75	5.75	5.75	5.75	5.75	5.75	5.75
Regional Infrastructure Rate		81.95	81.95	81.95	81.95	81.95	81.95	81.95
Rescue Helicopter Services Rate		8.22	8.22	8.22	8.22	8.22	8.22	8.22
Awanui River Management Rate		– # Refer Below	1,631.88	1,225.88	819.88	7.88	72.88	
Total Regional Rates (including GST)		\$809.19	\$809.19	\$2,441.07	\$2,035.07	\$1,629.07	\$817.07	\$882.07

Commercial properties are subject to the 3:1 commercial differential on Class UA (\$140.92 including GST), and Rural A (\$16.24 per ha) and B (\$12.18 per ha) for the Awanui River Management Rate. Note that commercial and industrial activities in rural zones that have a lower area and land value will be rated less than the illustrated differentials above – refer to rating factors previously set out (and multiply by the differential factor of 3). Those properties with greater land values and hectares than illustrated above will consequently pay proportionately more than shown in the second and third sections of the table.

financial overview continued

Ratepayers in the Far North constituency (continued)

Ratepayers in the Far North constituency – properties falling in rating areas 100-199

Far North District ratepayers will be levied per separately used or inhabited part of rating units: (1) a targeted Council Services Rate, differentiated by location, projected capital value as assessed by certificate of projected value of the district at 30 June (2) a targeted Land Management Rate based on the equalised land value of the property; (3) a fixed targeted Northland Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the equalised land value of the property; (6) a fixed targeted Rescue Helicopter Services Rate (7) the Awanui River Management Rate, classes UA/UF and A to F; (8) a targeted Kaeo-Whangaroa Rivers Management Rate set on a uniform basis across all properties within the former Whangaroa Ward (rating rolls 100-199). All rates include GST.

Far North District		2011-2012
Land Management Rate = LV rate in the \$ = \$0.0002290	Land	Rates
Infrastructure Rate = LV rate in the \$ = \$0.0000298	Value \$	\$ Incl GST
Residential/Commercial/Other		
Targeted Council Services Rate		83.52
Targeted Land Management Rate	120,000	27.48
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		3.58
Rescue Helicopter Services Rate		8.22
Kaeo-Whangaroa Rivers Management Rate		74.53
Total Regional Rates (including GST)		\$203.08
Residential/Commercial/Other		
Targeted Council Services Rate		83.52
Targeted Land Management Rate	250,000	57.25
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		7.45
Rescue Helicopter Services Rate		8.22
Kaeo-Whangaroa Rivers Management Rate		74.53
Total Regional Rates (including GST)		\$236.72
Residential/Commercial/Other		
Targeted Council Services Rate		83.52
Targeted Land Management Rate	2,750,000	629.75
Northland Regional Recreational Facilities Rate		5.75
Regional Infrastructure Rate		81.95
Rescue Helicopter Services Rate		8.22
Kaeo-Whangaroa Rivers Management Rate		74.53
Total Regional Rates (including GST)		\$883.72

council groups of activities

This section of the Annual Plan outlines the groups of activities through which the Council delivers its services to the community.

Northland Regional Council's Groups of Activities are:

- **Democracy and Corporate Services**
- **Regional Information and Engagement**
- **Regional Economic Development**
- **Resource Management Planning**
- **Transport**
- **Consents**
- **Environmental Monitoring**
- **Land and Rivers**
- **Biosecurity**
- **Emergency Management**
- **Maritime Operations**
- **Support Services**

The groups of activities section concentrates on identifying major variations or additions to the levels of service outlined in the Northland Community Plan 2009-2019.

Estimated levels of expenditure, and how that expenditure is to be funded is included for each group of activities.

Except where noted, the plans and activities established in the Northland Community Plan 2009-2019 apply to this section of the Annual Plan and the 2011-2012 operations of the Council.

Copies of the Community Plan are available from the Council offices or from our website www.nrc.govt.nz/ltp

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council groups of activities

democracy and corporate services

Main objectives for 2011-2012

Activity 1.1 Community Representation

Ensure community representation through elected Councillors by:

- Ensuring the effective and efficient running of local body elections for the 2010-2013 triennium.
- Continuing to ensure that all Council meetings and decisions are made in an effective and accountable manner.
- Continuing to involve the community in the Council's long term planning.
- Undertaking appropriate public consultation and adopting the Council's Annual Plan by 30 June 2011.

Activity 1.2 Commercial Investments

Effectively and efficiently manage the Council's commercial investments to provide a maximum rate of return, (within the constraints of the relevant lease agreements), thus providing a reliable cash flow to reduce the burden on regional ratepayers by:

- Continuing to effectively manage and maximise returns on the Council's commercial property portfolio.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

democracy and corporate services

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
User Charges	26,419	26,419	–
Other Revenue	3,286,520	3,423,314	(136,794)
TOTAL OPERATING REVENUE	3,312,939	3,449,733	(136,794)
EXPENDITURE			
Personnel Costs	507,737	740,087	232,350
Depreciation	5,568	19,533	13,963
Other Operating Expenses*	888,640	895,067	6,427
Support Costs internally allocated to Activity	208,008	267,199	59,191
TOTAL EXPENDITURE	1,609,953	1,921,886	311,933
Less Non-Cash Items	5,568	19,533	13,965
NET CASH COST/(SURPLUS) OF ACTIVITY	(1,708,554)	(1,547,379)	161,175
<i>Funded by:</i>			
Targeted Council Service Rate	556,818	935,125	(378,307)
Investment Income	474,478	170,496	303,982
Transfer from/(to) Cash Reserves	(2,739,850)	(2,653,002)	(86,848)
TOTAL OPERATIONAL FUNDING	(1,708,554)	(1,547,379)	(161,175)
TOTAL EXPENDITURE BY ACTIVITY			
Community Representation	1,264,671	1,620,434	355,763
Commercial Investments	345,282	301,452	(43,830)
TOTAL DEMOCRACY AND CORPORATE SERVICES	1,609,953	1,921,886	311,933

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$46,065; Repairs and Maintenance Costs \$10,000; Fixed Costs (including insurance, rent, security) \$55,631; Operational Costs (including consultancy, legal fees contractors and contracted works) \$291,888; Members Costs \$491,484.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Personnel Costs have increased due to a re-organisation of staff from other activities into the Democracy and Corporate Services activity.
- Allocation of overheads has increased due to the increase in full time equivalents transferred from other activities. It should be noted; this is simply a reallocation of support costs and does not reflect an increase in the total support services budget.

Operating Revenue

- Other Revenue increased due to a number of completed rent reviews occurring since the compilation of the 2009-2019 Northland Community Plan.

council groups of activities

democracy and corporate services continued

Targets for the year ended 30 June 2012

Activity 1.1 Community Representation

1.1.1 Provide democratic local decision making and action on behalf of the community.

Performance Measures 2011-2012

- a. All Council decisions made in an effective and accountable manner.
- b. Notify and conduct Council and Committee meetings.
- c. Respond to all official information requests.
- d. Adopt and make public a Local Governance Statement, Triennial Agreement, Council Code of Conduct and Register of Committee and Staff Delegations.
- e. Ensure Māori have the opportunity to participate in Council decision making.
- f. Facilitate a sustainable development approach to all Council practices and policies.

Performance Targets 2011-2012

- Zero Council decisions overturned as a result of judicial review annually.
- Produce an annual schedule of meeting dates and publicly notify meetings one month prior. All meetings conducted in accordance with the requirements of the Local Government Act (LGA) 2002 and Standing Orders.
- All information requests are replied to in accordance with the Local Government Official Information and Meetings Act 1987 (20 working days) and all Ombudsman investigations uphold our information decisions.
- All documents produced in accordance with the requirements of the LGA 2002 following the 2010 election.
- CEO attend a minimum of two Iwi Chief Executives Forum meetings annually. Initiatives reported in CEO and Chairman's report annually.
- Provide annual reports on sustainable Council practices and policy initiatives by 30 June 2012.

1.1.2 Involve the community in the Council's long term planning.

Performance Measures 2011-2012

- a. Consult on and communicate the Council's strategic direction and long term plans.
- b. Collaborate with Northland communities and organisations in regard to achieving regional community outcomes.
- c. Collaborate with the three district councils to advocate on behalf of all Northlanders.

Performance Targets 2011-2012

- Adopt an Annual Plan by 30 June 2011 and the Northland Long Term Plan by 30 June 2012.
- Update community outcomes in accordance with any legislative changes.
- Attend a minimum of two Mayoral Forum meetings annually.

Activity 1.2 Commercial Investments

1.2.1 Manage and maximise the return on commercial property with consideration to the requirements of the Council and the public.

Performance Measures 2011-2012

- a. Maintain or increase the level of return from investment properties.
- b. Manage the Council's commercial property portfolio in accordance with the Treasury Management Policy.
- c. Maintain cost effective management of the commercial property portfolio.
- d. Maintain the forestry holding to ensure maximum net forestry returns on a sustainable basis.
- e. Develop strategic commercial investment objectives, policies and direction as part of the Regional Growth Programme.

Performance Targets 2011-2012

- Achieve an annual return of at least 4.9% on the total value of investment properties.
- Manage the Council's commercial property portfolio in accordance with the Treasury Management Policy.
- Commercial Property administration costs are retained at <7.5% of total commercial rental income per annum.
- Performance against the Forest Management Plan reported annually to the Audit and Finance Committee.
- Report and review on achievement of objectives annually.

council groups of activities

regional information and engagement

Main Objectives for 2011-2012

Activity 2.1 Environmental Education

Promote and empower individual and collective responsibility for the environment to encourage sustainable lifestyle choices, activities and communities by:

- Continuing to collaborate and provide resources to the community on sustainable environmental practices and issues;
- Continuing to provide specialist education services to primary and secondary schools, tertiary institutions and community education providers; and
- Continuing to recognise good environmental practice in business, farming and industry.

Activity 2.2 Communications

Ensure that the community is kept informed about the Northland Regional Council and its activities and functions; and Increase public awareness, responsibility, support and involvement in creating a sustainable environment by:

- Continuing to ensure that the regional community is well informed about Council issues and activities through a co-ordinated Communications Strategy;
- Continuing to ensure that the community has 24/7 access to up-to-date information on Council activities and real-time environmental data; and
- Continuing to establish and maintain processes, foster the development of capacity and provide relevant information to Māori in order for Māori to contribute to the decision making processes of Council.

Activity 2.3 Economic and Environmental Information

Develop a comprehensive inventory of Northland's natural and economic resources to support long term regional strategic planning and decision making by:

- Continuing to plan for the provision of a comprehensive inventory of Northland's natural and economic resources.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

regional information and engagement

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
EXPENDITURE			
Personnel Costs	675,341	719,199	43,858
Depreciation	–	6,997	6,997
Other Operating Expenses*	507,609	637,236	129,627
Support Costs internally allocated to Activity	469,771	467,598	(2,173)
TOTAL OPERATING EXPENDITURE	1,652,721	1,831,030	178,309
Less Non-Cash Items	–	6,997	6,997
NET CASH COST/(SURPLUS) OF ACTIVITY	1,652,721	1,824,033	171,312
<i>Funded by:</i>			
Targeted Council Service Rate	733,802	1,009,893	(276,091)
Investment Income	625,292	209,212	416,080
Transfer from/(to) Cash Reserves	293,627	604,928	(311,301)
TOTAL OPERATIONAL FUNDING	1,652,721	1,824,033	(171,312)
CAPITAL EXPENDITURE			
	–	10,500	10,500
<i>Funded by:</i>			
Targeted Council Service Rate	–	6,997	(6,997)
Transfer from Cash Reserves	–	3,503	(3,503)
TOTAL CAPITAL FUNDING	–	10,500	(10,500)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Environmental Education	336,451	446,045	(109,594)
Communications	1,160,652	1,384,985	(224,333)
Economic and Environmental Information	155,618	–	155,618
TOTAL REGIONAL INFORMATION AND ENGAGEMENT	1,652,721	1,831,030	(178,309)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$51,103; Operational Costs (including consultancy, legal fees contractors and contracted works) \$586,133.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Personnel Costs have increased due to an increase in communication staff resources since the compilation of the 2009-2019 Northland Community Plan.
- Other Operating Expenditure has increased predominantly due to the inclusion of two Enviroschools facilitators (contract staff).
- Allocation of overheads has increased due to the increase in full time equivalents. It should be noted this is simply a reallocation of support costs and does not reflect an increase in the total support services budget.

council groups of activities

regional information and engagement continued

Targets for the year ended 30 June 2012

Activity 2.1 Environmental Education

2.1.1 Collaborate and provide resources to the community on sustainable environmental practices and issues.

Performance Measures 2011-2012

- a. Facilitate workshops and seminars on sustainable environmental practice.
- b. Regularly exhibit Council activities and programmes at major regional events.

Performance Targets 2011-2012

- Provide details of activities undertaken in the relevant monthly report to Council and in the Northland Regional Council Annual Report.
- Produce an annual events calendar and report monthly on activities undertaken in the relevant CEO report to Council and in the Northland Regional Council Annual Report.

2.1.2 Provide specialist education services to primary and secondary schools, tertiary institutions and community education providers.

Performance Measures 2011-2012

- a. Provide environmental education and other professional Northland Regional Council programmes including visits, speakers and resources.
- b. Provide professional development support for Northland teachers.
- c. Organise a Regional Youth Summit.

Performance Targets 2011-2012

- Achieve at least an 80% user satisfaction rating in an annual survey.
- Run at least one professional development workshop per annum.
- Summit is run and outcomes reported in the relevant CEO's monthly report to Council and in the Northland Regional Council Annual Report.

2.1.3 Recognise good environmental practice in business, farming and industry.

Performance Measures 2011-2012

- a. Provide cornerstone sponsorship and involvement with the Northland Ballance Farm Environment Awards.
- b. Encourage entries and provide sponsorship for the Top of the North Dairy Industry Awards.
- c. Encourage entries and provide sponsorship for the Northland Business Awards.
- d. Provide Environmental Curriculum Awards to Northland schools.

Performance Targets 2011-2012

- Sponsor awards and present Water Quality Award by 30 June each year.
- Sponsor awards and present Northland Regional Council award by 30 June each year.
- Sponsor awards and present Northland Regional Council award by 30 December each year.
- Curriculum awards judged and presented by 30 December each year.

Activity 2.2 Communications

2.2.1 Ensure that the regional community is well informed about Council issues and activities through a co-ordinated Communications Strategy.

Performance Measures 2011-2012

- a. Produce and circulate relevant media releases on Council activities, issues and events.
- b. Produce and distribute a newsletter to all Northland residents.
- c. Produce and distribute relevant publications on Council activities and programmes.
- d. Survey community awareness to ensure that the Council is effectively communicating information on Council activities and programmes.

Performance Targets 2011-2012

- 90% of press releases and event information notified to the media within three working days.
- Newsletter produced and distributed at least three times per annum.
- Produce and distribute at least five new publications per annum.
- Achieve at least 80% community awareness of Northland Regional Council and its services in an annual survey.

2.2.2 Ensure that the community has 24/7 access to up-to-date information on Council activities and real-time environmental data.

Performance Measures 2011-2012

- a. Increase use of the Council's online services.
- b. Provide up to date on-line information on the state of Northland's environment.
- c. Provide real-time environmental data on the Council's website.
- d. Provide up-to-date public information on the official civil defence emergency management website during a regional event.
- e. Post press releases, event information and public consultation on the Council's website.

Performance Targets 2011-2012

- Increase the number of people using the Northland Regional Council website's online services by 10% per annum.
- Update annually on the Northland Regional Council website.
- At least 90% of new data posted on the Council website within 24 hours.
- Update Civil Defence information on the Council's website at least every 30 minutes during an emergency.
- At least 90% of new information posted on the Council's website within 24 hours.

2.2.3 Establish and maintain processes, foster the development of capacity and provide relevant information to Māori in order for Māori to contribute to the decision making processes of Council.

Performance Measures 2011-2012

- a. Produce and distribute a Pānui (newsletter) to all Māori on the Council's database.
- b. Provide opportunities and assistance to Māori to contribute to the Council's decision making process.
- c. Council staff and councillors are informed and aware of Māori culture, perspectives and the Treaty of Waitangi.

Performance Targets 2011-2012

- Newsletter produced and distributed at least three times per year.
- At least one iwi monitoring plan or one iwi environmental management plan will be funded each year.
- All new staff to attend training within one year of joining the Council.

council groups of activities

regional information and engagement continued

Activity 2.3 Economic and Environmental Information

2.3.1 Provide a comprehensive inventory of Northland's natural and economic resources.

Performance Measures 2011-2012

- a. Develop and implement a strategy for acquiring natural and economic resource information.
- b. Make natural and economic resource inventory information available to Council staff and key stakeholders to improve decision making.
- c. Appropriate natural resource and economic information electronically available to the public and stakeholders.

Performance Targets 2011-2012

- Implementation strategy monitored annually in the Northland Regional Council Annual Report.
- Priority information available by 30 June each year.
- Public have access to basic natural and economic resource information by 30 June 2012 and review annually.

council groups of activities

regional economic development

Main Objectives for 2011-2012

Activity 3.1 Regional Growth Programme

Provide inclusive leadership and an integrated planning framework leading to a set of detailed actions to improve the present and future well-being of Northlanders by:

- Continuing to lead in partnership with key stakeholders, the development of a Regional Community Growth Programme for Northland.

Activity 3.2 Economic Development

Proactively lead the economic development of Northland by:

- Continuing to support economic development initiatives that align with the Regional Community Growth Programme and/or benefit Northland; and
- Negotiating business plans, including performance measures and targets with Enterprise Northland and Destination Northland Limited.

Variations from the Northland Community Plan 2009-2019

Northland Community Growth Programme

The Northland Community Growth Programme aims to reverse the cycle of underinvestment with the Council leading by example by investing directly in projects that deliver tangible benefits to current and future generations of Northlanders. It is important that we find new ways to leverage more investment in the region in order to create more jobs while at the same time, safeguarding our natural environment.

Through the Northland Community Growth Programme the Council is proposing to work with communities, sectors and interest groups who are in a willing and able position to make a significant positive contribution to the region. The Council is specifically investigating how it can support infrastructure and economic development opportunities to create a sustainable Northland in partnership with infrastructure and economic development players, agencies, innovative leaders and other willing parties.

There are no significant variations within this group of activities.

council groups of activities

regional economic development

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Targeted Rates	1,065,475	620,019	445,456
TOTAL OPERATING REVENUE	1,065,475	620,019	445,456
EXPENDITURE			
Personnel Costs	296,041	189,192	(106,848)
Depreciation	–	3,646	3,646
Finance Costs	595,444	1,006,656	411,212
Other Operating Expenses*	1,867,808	1,294,427	(573,381)
Support Costs internally allocated to Activity	23,372	10,437	(12,935)
TOTAL OPERATING EXPENDITURE	2,782,665	2,504,358	(278,307)
Less Non-Cash Items	–	1,010,302	1,010,302
NET CASH COST/(SURPLUS) OF ACTIVITY	1,717,190	874,036	(843,154)
<i>Funded by:</i>			
Targeted Council Service Rate	52,838	461,900	(409,062)
Regional Infrastructure Rate	598,787	593,602	5,185
Northland Regional Recreational Facilities Rate	1,147,911	1,218,065	(70,154)
Investment Income	3,665	375,750	(372,085)
Transfer from/(to) Cash Reserves	(86,011)	(1,775,279)	1,689,268
TOTAL OPERATIONAL FUNDING	1,717,190	874,036	843,154
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Economic Development	2,372,713	2,192,451	(180,262)
Regional Growth Programme	409,952	311,907	(98,045)
TOTAL REGIONAL ECONOMIC DEVELOPMENT	2,782,665	2,504,358	(278,307)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$102,091; Operational Costs (including consultancy, legal fees contractors and contracted works) \$1,192,336.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Economic Development operating expenditure costs have decreased due to the reduced costs associated with holding the Marsden Point Rail Link properties.

Operating Revenue

- Targeted Rates is less than budget and targeted Council Services Rate is greater than budget by a similar amount. This is due to Council choosing to rate for the Regional Growth Programme as part of the targeted Council Services Rate rather than establishing a separate targeted rate.
- Northland Regional Recreational Facilities Rate is increased due to a higher number of separately used or inhabited parts and rating units in the Northland region since the compilation of the 2009-2019 Northland Community Plan.
- Investment Income is greater due to the recognition of Marsden Point Rail Link Joint Venture interest.

Targets for the year ended 30 June 2012

Activity 3.1 Regional Growth Programme

3.1.1 Lead in partnership with key stakeholders, the development of a Regional Community Growth Programme for Northland.

Performance Measures 2011-2012

- a. Develop a Growth Programme discussion document and conduct appropriate consultation to finalise agreed Terms of Reference for the Growth Programme.
- b. Develop an agreed schedule of detailed actions required to implement the Growth Programme.
- c. Monitor and report on implementation of the Growth Programme action plan.
- d. Monitor growth management drivers and trends in population, demographics and development.

Performance Targets 2011-2012

- Progress reported to the Council via the CEO's monthly report.
- Action Plan developed and progress reported to the Council via the CEO's monthly report.
- Progress reports provided quarterly to the Audit and Finance Committee and annually in the Northland Regional Council Annual Report.
- Develop a growth management reporting framework and publish monitoring reports annually.

Activity 3.2 Economic Development

3.2.1 Support economic development initiatives that align with the Regional Growth Programme and/or benefit Northland.

Performance Measures 2011-2012

- a. Negotiate an Annual Statement of Intent and rolling three year business plan with the Northland Regional Council Community Trust.
- b. Support the promotion of Northland as a place to invest, work, and visit as a tourist destination.
- c. Provide community funding for regional initiatives undertaken by the Council or in joint venture or partnership with other authorities and organisations on a case-by-case basis.
- d. Develop a project funding strategy and risk assessment of any infrastructure priority that the Council decides to commit significant funding to.

Performance Targets 2011-2012

- A Statement of Intent that meets the requirements of the Local Government Act 2002 is received by 30 June each year.
- Approve an annual business plan and triennial funding agreement by 30 June each year.
- Receipt of quarterly performance reports from the Trust detailing actual results compared to the objectives contained in the Statement of Intent and Business Plan.
- Negotiation of an Annual Business Plan and Terms of Agreement with Destination Northland Ltd.
- Receipt of quarterly performance reports detailing actual results compared to the objectives contained in the Annual Business Plan.
- Conduct due diligence and the appropriate community consultation on significant projects as required in accordance with the requirements of the Local Government Act 2002.
- Report annually on any regional initiatives undertaken.
- Conduct appropriate due diligence and community consultation in accordance with the requirements of the Local Government Act 2002.
- Report annually on any significant regional infrastructure projects undertaken.

council groups of activities

resource management planning

Main Objectives for 2011-2012

Activity 4.1 Resource Management Planning

Provide clear policy guidance and rules for the sustainable management of Northland's natural and physical resources by:

- Continuing to develop and publish strategic planning documents to manage Northland's natural and physical resources;
- Continuing to work on the full review of the Regional Policy Statement;
- Continuing to provide planning advice and assistance; and
- Continuing to review and respond to legislative changes, proposed National Environmental Standards, and proposed National Policy Statements.

Variations from the Northland Community Plan 2009-2019

Regional Policy Statement

The Regional Policy Statement (RPS) for Northland is a key planning document driven by the Resource Management Act 1991. One of the main purposes of the RPS is to provide for the integrated management of Northland's natural and physical resources (land, water, air, soil, minerals, energy, all plants and animals, and all structures) from Kaiwaka in the south, to Cape Reinga in the north, and out to the 12 nautical mile (22.2 km) limit. The RPS also guides the development of other plans prepared by the Regional Council, as well as district plans prepared by the Whāngārei, Kaipara and Far North District Councils. It is therefore a regionally important piece of work that the Council encourages you, the community, to become involved in.

The new draft RPS is being developed by the Regional Policy and Development Committee (which includes the three district councils representatives alongside regional councillors) and will be approved by the Regional Council. The draft will focus on regionally significant resource management issues in Northland, the outcomes we should aim for, and the policies and resource management tools we can use to meet the aims.

During the 2009-2010 financial year, the Council reviewed the current RPS, assessed relevant monitoring information (including community outcome monitoring, and specific economic and environmental information), held workshops and sought public feedback on the new RPS Discussion Document 2010. All that work and your feedback has shaped the writing of a new draft RPS, which is scheduled for release for public comment in July 2010.

During the past year, the Council completed stages one and two of the four stage process of preparing the new RPS. It also commenced Stage 3.

- Stage 1 involved a review of the existing RPS. This stage was completed in December 2010.
- Stage 2 was the production of a discussion document. The discussion document asked the public and stakeholders to tell the Council how it can and should balance the competing values and interests between the use, development and protection of our natural and physical resources to meet Northland's needs now and in the future. A summary of the discussion document feedback was presented to the Council in March 2011.
- Work began on Stage 3 in February 2011, which is the drafting of the new RPS.
- A copy of the discussion document, summaries of the feedback and report cards are available on the Council's website www.nrc.govt.nz/newrps
- The Council also contracted Te Rarawa (supported by the Iwi Technicians' Forum and the resource management experts from Te Uri O Hau and Te Roroa) to consult with tāngata whenua of Tai Tokerau to identify their regionally significant resource management issues. This contract will continue in the 2011-2012 financial year to provide regional hui on the new draft RPS.

In September/October 2011 the Council expects to be consulting with tāngata whenua, stakeholders and the public on the new draft RPS. After this round of consultation the Committee and staff will modify the plan where appropriate to form the proposed new RPS. The proposed new RPS then follows the legal RMA process of consultation, including submissions and hearings before a final RPS is adopted by the Council. This last part of the process is expected to start in late 2011/early 2012 and carry on until any appeals are resolved. The Council has spent considerable time and effort in the early stages of the development of the new RPS, so we hope resolution and the finalisation of most, if not all, of the new RPS will occur in 2013-2014.

More information about the RPS project can also be found on our website www.nrc.govt.nz/newrps. You can register to receive updates from our website direct to your email inbox. If you register you will be sent an email with links to the updated information every time we add information to this section of our website.

There are no significant variations within this group of activities.

council groups of activities

resource management planning

Prospective Statement of Costs and Funding

for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
EXPENDITURE			
Personnel Costs	647,779	715,018	67,239
Depreciation	9,031	8,998	(33)
Other Operating Expenses*	178,520	413,881	235,361
Support Costs internally allocated to Activity	438,453	379,506	(58,947)
TOTAL OPERATING EXPENDITURE	1,273,783	1,517,403	243,620
Less Non-Cash Items	9,031	8,998	(33)
NET CASH COST/(SURPLUS) OF ACTIVITY	1,264,752	1,508,405	243,653
<i>Funded by:</i>			
Targeted Council Service Rate	561,570	880,013	(318,443)
Investment Income	478,490	162,880	315,610
Transfer from/(to) Cash Reserves	224,692	465,512	(240,820)
TOTAL OPERATIONAL FUNDING	1,264,752	1,508,405	(243,653)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Resource Management Planning	1,273,783	1,517,403	243,620
TOTAL RESOURCE MANAGEMENT PLANNING	1,273,783	1,517,403	243,620

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$227,482; Fixed Costs (including insurance, rent, security) \$654; Operational Costs (including consultancy, legal fees contractors and contracted works) \$171,858; Members Costs \$13,887.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Operating expenses have increased due to two additional consultation phases being included into the process of developing the Regional Policy Statement (RPS). The extra phases aim to increase public awareness of the RPS, enhance the opportunities for public engagement, and assist Council to focus on significant issues.
- It is anticipated that the additional costs associated with the new consultation phases will reduce the cost of the subsequent appeal process that occurs in the latter stages of the RPS development.
- In addition the LTP production costs have been transferred into the Resource Management Planning activity from the Support Services activity.

council groups of activities

resource management planning continued

Targets for the year ended 30 June 2012

Activity 4.1 Resource Management Planning

4.1.1 Develop and publish strategic planning documents to manage Northland's natural and physical resources.

Performance Measures 2011-2012

- a. Maintain an operative Regional Policy Statement (RPS), Regional Coastal Plan, Regional Water and Soil Plan and Regional Air Quality Plan, including development of implementation strategies.
- b. Prepare a feasibility report on a combined regional and district resource management planning document for Northland ("One Plan").
- c. Undertake a full review of the RPS, including consideration of the potential implications of climate change. This may be undertaken as part of the development of a "One Plan" (refer to (b) above).
- d. Review the efficiency and effectiveness of each of the regional plans. This may be undertaken as part of the development of a "One Plan" (refer to (b) above).
- e. Complete changes to regional plans when required by legislation or Council resolution.
- f. Process private plan changes in accordance with the relevant statutory requirements.
- g. Provide a contingency fund for expert assessment of applications for outdoor trials or use of genetically modified organisms in Northland as notified by ERMA.

Performance Targets 2011-2012

- Report annually via the CEO's report to the Council on the implementation status of all operative plans and strategies.
- Provide quarterly progress reports via the CEO's report to the Council.
- Provide quarterly progress reports via the CEO's report to the Council.
- Provide quarterly progress reports via the CEO's report to the Council.
- Decisions on plan changes made within two years of the change being publicly notified.
- Commence processing of all private plan requests within one working day of receiving the request. All timeframes specified in Schedule 1 of the Resource Management Act 1991 met and reported in the CEO's report to the Council.
- Set aside a fund of \$10,000 annually for expert assessment of notified applications made under the HSNO legislation.
- Report any use of funds annually.

4.1.2 Provide planning advice and assistance.

Performance Measures 2011-2012

- a. Provide advice on written requests regarding the contents of the Council's regional planning documents.
- b. Provide advice and, where appropriate, prepare and appear in support of submissions on district planning matters to ensure consistency and integration with regional policies and plans.
- c. Provide input and, where appropriate, prepare and appear in support of submissions on subdivision and land use resource consent applications regarding regional policies and rules.

Performance Targets 2011-2012

- All written requests recorded on the Council's mailroom database, responded to within 10 working days and monitored via monthly action number status reports.
- All written requests responded to within 10 working days. Where a submission is considered appropriate it is lodged within the statutory timeframes advised by the respective district council and responses recorded on the Council submission files.
- Comments, if any, on non-notified resource consents made within 10 working days and monitored via the department's consent response database. For notified consent applications, where a submission is considered appropriate it is lodged within 20 working days of being served notice of the resource consent application and reported in the CEO's monthly report to the Council and submissions recorded on the Council's submission files.

4.1.3 Review and respond to legislative changes, proposed National Environmental Standards, and proposed National Policy Statements.

Performance Measures 2011-2012

- a. Prepare submissions or comments on any proposed legislative changes, NES, and/or NPS, where they impact on the Council's responsibilities and resources.

Performance Targets 2011-2012

- Submissions/comments prepared and lodged within timeframes specified by requesting agency and reported in the CEO's report to the Council and recorded on the Council's submission files.

council groups of activities

transport

Main Objectives for 2011-2012

Activity 5.1 Regional Transport Management

Collaborate with other agencies to develop a strategic approach to regional transport and road safety through a Northland road improvement programme by:

- Continuing to develop strategic approaches in regional transport and road safety.

Activity 5.2 Passenger Transport Administration

Provide a cost effective passenger transport service that is affordable, integrated, safe, responsive, sustainable and meets the needs of local communities including groups who are transport disadvantaged by:

- Continuing to administer a cost effective passenger transport service.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

transport

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	1,016,829	1,206,966	(190,137)
User Charges	811,201	668,086	143,115
Targeted Rates	416,575	410,476	6,099
TOTAL OPERATING REVENUE	2,244,605	2,285,528	(40,923)
EXPENDITURE			
Personnel Costs	255,235	308,846	53,611
Other Operating Expenses*	2,358,435	2,304,333	(54,103)
Support Costs internally allocated to Activity	168,276	205,169	36,893
TOTAL OPERATING EXPENDITURE	2,781,946	2,818,348	36,402
NET CASH COST/(SURPLUS) OF ACTIVITY	537,342	532,820	(4,522)
<i>Funded by:</i>			
Targeted Council Service Rate	238,578	309,007	(70,429)
Investment Income	203,298	58,013	145,286
Transfer from/(to) Cash Reserves	95,466	165,800	(70,334)
TOTAL OPERATIONAL FUNDING	537,342	532,820	4,522
CAPITAL EXPENDITURE	–	90,000	90,000
<i>Funded by:</i>			
Transfer from Cash Reserves	–	90,000	(90,000)
TOTAL CAPITAL FUNDING	–	90,000	(90,000)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Regional Transport Management	294,345	524,755	230,410
Passenger Transport Administration	2,487,601	2,293,593	(194,008)
TOTAL TRANSPORT	2,781,946	2,818,348	36,402

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$105,953; Operational Costs (including consultancy, legal fees contractors and contracted works) \$2,170,965; Members Costs \$27,415.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Operating Expenditure reduced to align with reduction in forecasted bus fare revenue. See explanation below.

Operating Revenue

- Grants and Subsidies have increased due to a review of the Land Transport Programme and new road safety related projects coming online since the compilation of the 2009-2019 Northland Community Plan.
- User Charges (bus fare revenue) are less than budget. To offset the forecasted reduced revenue, uneconomic bus routes were reviewed and in some instances discontinued to provide offsetting contract savings.

council groups of activities

transport continued

Targets for the year ended 30 June 2012

Activity 5.1 Regional Transport Management

5.1.1 Develop strategic approaches in regional transport and road safety.

Performance Measures 2011-2012

- a. Develop a Regional Procurement Strategy in conjunction with Northland's district councils.
- b. Review the Regional Land Transport Strategy (RLTS) for Northland including the Regional Passenger Transport Plan.
- c. Complete actions set out in the Regional Land Transport Strategy for Northland.
- d. Review of the Regional Road Safety Plan for Northland in association with the RoadSafe Northland Forum.
- e. Reduce the number of road deaths and hospitalisations as a result of motor vehicle accidents in Northland.
- f. Review the Regional Transport Plan, which sets out regional development (forestry) roading priorities in Northland.
- g. Maintain the 2009-2012 Regional Land Transport Programme within the approved New Zealand Transport Agency subsidy levels.

Performance Targets 2011-2012

- Procurement Strategies followed and reported to the Regional Transport Committee annually.
- Provide a three-year progress report on implementation of the RLTS by 30 October 2012.
- Progress on actions reported to the Regional Transport Committee annually by 30 October 2010 and 2011.
- Progress on Regional Road Safety Plan actions reported to the Regional Transport Committee annually.
- No more than 440 road deaths and hospitalisations per annum.
- Complete annual review by 30 September each year and report to the Regional Transport Committee.
- Annual review to ensure that approved subsidy levels are not exceeded.

Activity 5.2 Passenger Transport Administration

5.2.1 Administer a cost effective passenger transport service.

Performance Measures 2011-2012

- a. Administer the long term contract for the subsidised bus services for the Whāngārei urban area.
- b. On request, undertake the feasibility of operating subsidised bus services within the Northland Region.
- c. Effectively administer the Whāngārei Total Mobility Scheme to meet the needs of its customers.
- d. On request investigate the viability of extending the scheme to urban areas outside of Whāngārei where taxi services may operate.
- e. Maintain an electronic register of commercial passenger transport services operating in Northland.

Performance Targets 2011-2012

- At least 75% of customers rate the overall bus service provided in Whāngārei as either very good or excellent.
- Report findings within three months of initial request in the CEO's report to Council.
- At least 75% of customers rate the overall service provided by the total mobility scheme as either very good or excellent.
- At least 35,000 total mobility trips provided per annum.
- Report findings within three months of initial request in the CEO's report to Council.
- Update the register on a monthly basis. New service variations and abandonment of services reported on a monthly basis in the CEO's report to Council.

council groups of activities

consents

Main Objectives for 2011-2012

Activity 6.1 Consents Applications

Facilitate individual and community well-being by processing resource consent applications in a way that results in sustainable resource management as determined by Regional Plans and the Resource Management Act by:

- Continuing to process 98% of resource consent applications within statutory timeframes with high levels of customer satisfaction.

Activity 6.2 Consents Advice and Information

Ensure that the public is informed and enabled to participate in the processing of resource consent applications by:

- Continuing to provide consents advice and information in a timely manner.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

consents

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
User Charges	719,547	700,000	19,547
TOTAL OPERATING REVENUE	719,547	700,000	19,547
EXPENDITURE			
Personnel Costs	1,150,835	978,195	(172,640)
Depreciation	10,625	16,991	6,366
Other Operating Expenses*	462,297	451,679	(10,618)
Support Costs internally allocated to Activity	769,396	647,123	(122,273)
TOTAL OPERATING EXPENDITURE	2,393,153	2,093,988	(299,165)
Less Non-Cash Items	10,625	16,991	6,366
NET CASH COST/(SURPLUS) OF ACTIVITY	1,662,981	1,376,997	(285,984)
<i>Funded by:</i>			
Targeted Council Service Rate	743,075	808,438	(65,363)
Investment Income	625,963	147,371	478,592
Transfer from/(to) Cash Reserves	293,943	421,188	(127,245)
TOTAL OPERATIONAL FUNDING	1,662,981	1,376,997	285,984
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Consent Applications	1,368,891	1,176,665	(192,226)
Consents Advice and Information	1,024,262	917,323	(106,939)
TOTAL CONSENTS	2,393,153	2,093,988	(299,165)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$64,406; Fixed Costs (including insurance, rent, security) \$7,100; Operational Costs (including consultancy, legal fees contractors and contracted works) \$307,307; Members Costs \$72,865.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Personnel Costs reduced due to a reduction in budgeted staff numbers within the Consents Activity since the compilation of the 2009-2019 Northland Community Plan.
- Allocation of Overheads is decreased due to the decrease in full time equivalents. It should be noted, this is simply a reallocation of support costs and does not reflect an increase/decrease in the total support services budget.

Targets for the year ended 30 June 2012

Activity 6.1 Consents Applications

6.1.1 Process resource consent applications.

Performance Measures 2011-2012

- a. Process all consent applications efficiently.
- b. Applications are processed in a way that results in high levels of consent applicant satisfaction.
- c. Consent decisions are robust and accurately reflect the requirements of the Resource Management Act and Regional Plans.

Performance Targets 2011-2012

- At least 98% of all applications are processed within statutory timeframes annually as indicated by the Council's consents database.
- No more than five justified complaints received annually against the consents process.
- Achieve at least 80% customer satisfaction rating in annual surveys of the Consent staff's helpfulness in guiding customers through the consent application process.
- No more than three successful appeals against the Council Hearings Committee decisions on development proposals* and no more than three successful objections against Council delegated authorities decisions annually.

* **Note:** Only applies where an application remains unchanged from that heard by the Council's Hearings Committee.

Activity 6.2 Consents Advice and Information

6.2.1 Provide consents advice and information.

Performance Measures 2011-2012

- a. Provide information and advice to intending consent applicants about resource consent processes and requirements, in an accurate and timely way.
- b. Advise Iwi Groups on the Council's register of relevant new resource consent proposals.
- c. Complete the Ministry for the Environment (MfE) and Regional Councils' surveys on resource consents.
- d. Record decisions on resource consent applications in the Council's consents database.
- e. Advise consent holders of upcoming expiry of consents.

Performance Targets 2011-2012

- Respond to all enquiries within 15 working days in line with the Council's policy.
- No more than five justified complaints received annually against the accuracy of the advice given.
- Copies of consents circulated within seven days of receipt of the application.
- Reports completed no later than 30 September 2010.
- Monthly reports on all decisions on applications for resource consents are provided to the Council, and to the public on the Council's website.
- A total of 98% of consent holders whose consents are renewable are advised at least eight months before the expiry date.

council groups of activities

environmental monitoring

Main Objectives for 2011-2012

Activity 7.1 State of the Environment Monitoring

Promote sustainable resource management by identifying significant environmental issues and trends in the Region, providing scientifically sound information to facilitate informed decision-making and monitoring effectiveness of the Council's policy documents by:

- Continuing to monitor and identify significant environmental issues and trends in the Region;
- Continuing to provide scientific environmental information to the public and the Council to facilitate informed decision making; and
- Continuing to promote improved environmental practices within the Northland Region.

Activity 7.2 Compliance Monitoring

Promote the sustainable management of resources and minimising the adverse effects of people's use of the environment by ensuring compliance with resource consents, regional plans and statutory environmental standards by:

- Continuing to monitor and enforce compliance with resource consent conditions, regional rules and relevant statutory requirements.

Activity 7.3 Environmental Incidents Response

Minimise adverse effects on the environment by responding to environmental incidents and non-compliance with the Resource Management Act by:

- Continuing to provide a 24-hour, seven day environmental incident reporting system.

Activity 7.4 Hazardous Substances and Contaminated Sites

Reduce the quantities of hazardous substances entering Northland's environment and minimising any adverse effects by:

- Continuing to facilitate the safe handling and lawful storage of hazardous substances and management of waste hazardous substances.

Variations from the Northland Community Plan 2009-2019

During the Annual Plan consultation the Council also consulted on a revised Dangerous Dams Policy. The policy only applies to medium or high impact dams that retain three or more metres depth and hold more than 20,000 cubic metres volume, of water or fluid. The revised policy includes reference to earthquake-prone and flood-prone dams as required by an amendment to the Building Act 2004. Following consultation the Council adopted the new policy.

There are no significant variations within this group of activities.

council groups of activities

environmental monitoring

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
User Charges	1,598,323	1,550,237	48,086
TOTAL OPERATING REVENUE	1,598,323	1,550,237	48,086
EXPENDITURE			
Personnel Costs	2,310,033	2,199,913	(110,120)
Depreciation	140,050	262,397	122,347
Other Operating Expenses*	1,252,262	1,321,917	69,655
Support Costs internally allocated to Activity	1,643,263	1,438,283	(204,980)
TOTAL OPERATING EXPENDITURE	5,345,608	5,222,510	(123,098)
Less Non-Cash Items	140,050	262,397	122,347
NET CASH COST/(SURPLUS) OF ACTIVITY	3,607,235	3,409,876	(197,359)
<i>Funded by:</i>			
Targeted Council Service Rate	1,623,940	2,089,071	(465,131)
Investment Income	1,322,450	331,818	990,632
Transfer from/(to) Cash Reserves	660,845	988,987	(328,142)
TOTAL OPERATIONAL FUNDING	3,607,235	3,409,876	197,359
CAPITAL EXPENDITURE	185,461	130,533	(54,928)
<i>Funded by:</i>			
Targeted Council Service Rate	39,842	40,650	(808)
Transfer from Cash Reserves	145,619	89,883	55,736
TOTAL CAPITAL FUNDING	185,461	130,533	54,928
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
State of the Environment Monitoring	2,088,499	2,168,739	80,240
Resource Consent Compliance	1,961,144	1,677,789	(283,355)
Environmental Incidents Response	811,668	867,403	55,735
Hazardous Substances and Contaminated Sites	484,296	508,579	24,283
TOTAL ENVIRONMENTAL MONITORING	5,345,608	5,222,510	(123,098)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$142,104; Repairs and Maintenance Costs \$104,655; Fixed Costs (including insurance, rent, security) \$650; Operational Costs (including consultancy, legal fees contractors and contracted works) \$1,068,952; Members Costs \$5,555.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Depreciation has been increased to represent the actual charge being incurred on Monitoring plant and equipment.
- Personnel Costs have reduced due to two operational management staff being reassigned to a different Council activity and one full time equivalent being transferred to the Land and rivers activity.
- Allocation of Support Overhead Costs has reduced in line with the reduced staffing numbers within the Monitoring activity.

council groups of activities

environmental monitoring continued

Targets for the year ended 30 June 2012

Activity 7.1 State of the Environment Monitoring

7.1.1 Monitor and identify significant environmental issues and trends in the region.

Performance Measures 2011-2012

- a. Operate a region-wide quality network for the measurement, recording and reporting of groundwater, river and lake water quality trends and soil quality trends.
- b. Report on summer coastal and freshwater bathing water quality and water quality for the collection of shellfish at various sites.
- c. Monitor ambient air quality in line with the priorities of the National Environmental Standard for Air and the Regional Air Quality Plan.
- d. Operate a Region wide hydrometric network for the measurement, recording and reporting of rainfall, river flows, lake, groundwater and tide levels.
- e. Establish water management zones on a prioritised basis for allocation of freshwater resources.
- f. Identify 'at risk' aquifers and carry out investigations to better understand this resource.
- g. Monitor water and sediment quality in Northland Harbours on a prioritised basis.
- h. Undertake a prioritised estuary health monitoring programme.
- i. Monitor the effectiveness of Council policy documents.

Performance Targets 2011-2012

- Annual percentage compliance of rivers with relevant guidelines for five key parameters.
- Annual median percentage compliance of 20 representative bathing sites to the Ministry of Environment Guidelines.
- Annual percentage of compliance with the National Environmental Standards.
- No more than a seven day missing record per site annually for all automatic measuring stations.
- Relevant information will be available on the Hydrology Group Archive within three months of production.
- Report progress via the relevant environmental monitoring report to the Council.
- Report results each year in the Annual Monitoring Report and every five years in the State of the Environment Report.
- Annual % compliance for priority harbour waters with appropriate guideline values.
- Two yearly percentage compliance for priority harbour sediment with appropriate action levels.
- Annual percentage of compliance with suitable estuary health indices for three sites up to 2009 and five sites from 2010.
- Report on actual monitoring results compared to policy objectives every five years in the State of the Environment Report.

7.1.2 Provide scientific environmental information to the public and the Council to facilitate informed decision making.

Performance Measures 2011-2012

- a. Produce and publish an annual monitoring report.
- b. Provide hydrometric information and advice in an accurate and timely way.

Performance Targets 2011-2012

- Post on the Council's website by 31 October each year for the previous period 1 July to 30 June.
- All advice provided in accordance with ISO accredited Council policies and procedures and no justifiable complaints received each year.

7.1.3 Promote improved environmental practices within the Northland region.

Performance Measures 2011-2012

- a. Undertake site visits to selected industries to promote cleaner production practices.
- b. Promote and support community based estuarine restoration projects on a prioritised basis.

Performance Targets 2011-2012

- Complete at least 25 site visits per year and report to Council in the Environmental Monitoring Report.
- Commence during 2010 and complete implementation during 2011. Report results each year in the Annual Monitoring Report and every five years in the State of the Environment Report.

Activity 7.2 Compliance Monitoring

7.2.1 Monitor and enforce compliance with resource consent conditions, regional rules and relevant statutory requirements.

Performance Measures 2011-2012

- a. Documentation and implementation of monitoring programmes for water, land and air consents. This includes monitoring of:
 - Emission testing and/or appropriate off-site monitoring of major industrial discharges to air;
 - Effluent and receiving water quality testing of sewage, industrial and landfill discharges;
 - Land clearance, earthworks, and river works that are the subject of resource consents;
 - Bore construction; and
 - Farm dairy effluent treatment and disposal systems.
- b. Inspection of significant coastal structures and works, marine farms and the carrying out of coastal surveys where there is sand mining activity.
- c. Inspection of boat moorings to ensure they are properly authorised in accordance with the requirements of the Regional Coastal Plan and the Navigation Safety Bylaw 2001 and that their positions are accurately recorded.

Performance Targets 2011-2012

- 100% of monitoring programmes meet the standards of the Council's independently audited and accredited ISO quality management systems.
- 100% of compliance assessments are recorded on the Council's monitoring database and results reported to appropriate parties monthly.
- 100% of all significant non-compliances are followed up and enforcement action taken where necessary.
- Monitoring activity reported monthly in the Council environmental monitoring report and annually in the Council Annual Report.
- 100% of monitoring programmes meet the standards of the Council's independently audited and accredited ISO quality management systems.
- 100% of compliance assessments conducted at least once every five years and results reported monthly in the Council's environmental monitoring report.
- 100% of all significant non-compliances are followed-up and enforcement action taken where necessary.
- 100% of moorings inspected once every three years. Results reported monthly in the Council's environmental monitoring report and annually in the Council's Annual Report.

continued overleaf

council groups of activities

environmental monitoring continued

7.2.1 Monitor and enforce compliance with resource consent conditions, regional rules and relevant statutory requirements.

Performance Measures 2011-2012

- d. Collection of water use records to determine compliance with resource consents including the consistent and accurate metering of consented takes.

- e. Measurement of stream flows, groundwater and lake levels associated with significant water abstractions to ensure compliance with resource consent, including during prolonged dry periods.

Performance Targets 2011-2012

- 100% of monitoring programmes meet the standards of the Council's independently audited and accredited ISO quality management systems.
- Compliance assessments conducted at least once per annum. All significant non compliances are followed up with enforcement action taken where necessary. Results reported monthly in the Council's Environmental Monitoring Report and annually in the Council's Annual Report.
- 100% of monitoring programmes meet the standards of the Council's independently audited and accredited ISO quality management systems.
- Conduct at least one flow measurement during the dry period for relevant consents and report on compliance in the Council's monthly Environmental Monitoring Report.
- 100% of all significant non-compliances are followed up and enforcement action taken where necessary.

Activity 7.3 Environmental Incidents Response

7.3.1 Provide a 24 hour, seven day environmental incident reporting system.

Performance Measures 2011-2012

- a. Respond to calls received on the environmental hotline.
- b. Take appropriate enforcement action in cases of significant noncompliance with statutory requirements.
- c. Communicate incidents that negatively impact on public health as appropriate.

Performance Targets 2011-2012

- 100% of significant incidents responded to by Northland Regional Council and assessed annually for compliance with Regional Rules or Consent.
- 100% of non-complying incidents resulting in significant adverse environmental effects have formal enforcement action taken in relation to the incident (when offender is known).
- 100% of incidents responded to by Northland Regional Council resulting in public health risks, are notified within 24 hours to Northland District Health Board.

Activity 7.4 Hazardous Substances and Contaminated Sites

7.4.1 Facilitate the safe handling and lawful storage of hazardous substances and management of waste hazardous substances.

Performance Measures 2011-2012

- a. Operate facilities throughout Northland for the short term storage of waste hazardous substances awaiting transport.
- b. Provide a transport and disposal service for appropriate hazardous substances.
- c. Provide a hazardous substances monitoring service to the Department of Labour, as required.
- d. Provide an on-call 24 hour, seven day a week service for responding to incidents involving hazardous substances.
- e. Maintain a database of potentially contaminated sites, related site assessments and remediation.

Performance Targets 2011-2012

- Facilities open for 100% of working hours.
- 100% of hazardous substances are collected, transported and disposed of within 18 months of collection.
- At least 80 hours a month spent undertaking workplace inspections.
- 100% response rate to all calls involving hazardous substances.
- Relevant data provided to the relevant district councils for inclusion in the LIM and PIM systems by 31 December each year.

council groups of activities

land and rivers

Main Objectives for 2011-2012

Activity 8.1 Hazard Management

Identify and provide information on natural hazards, and prepare plans and implement measures to reduce the level of risk to life and property from these natural hazards by:

- Continuing to reduce risk from natural hazards.

Activity 8.2 River Management

Reduce flood risk by ensuring flood risk reduction works are maintained, the incidence of accelerated streambank erosion is reduced and land uses on flood-susceptible land are sustainable by:

- Continuing to manage rivers to reduce flood hazard risk.

Activity 8.3 Land and Biodiversity

Ensure Northland's land resources are managed in a sustainable way for the benefit of current and future generations by:

- Continuing to promote the sustainable management of land including soil, water and ecosystems in the Northland region.

Variations from the Northland Community Plan 2009-2019

Whāngārei Urban River Management Rate

Stage One flood reduction works will be undertaken in 2011/12 at a cost of \$681,697 (including GST). The works will be funded through a differentiated uniform annual charge as follows:

- Commercial properties in the CBD flood area will pay \$247.83 (including GST).
- Residential properties in the CBD flood area will pay \$94.19 (including GST).
- Properties in the contributing water catchment area will pay \$33.21 (including GST).

Stage 1 works will focus on channel maintenance within the CBD, specifically targeting restrictions to channel flow associated with bridges and accumulated sediments in the lower river reaches. This work will include upgrading the flood flow capacity of the Rust Avenue bridge.

Kaeo-Whangaroa River Management Rate

The new Kaeo-Whangaroa River Management Rate will fund Stage One of the Kaeo flood scheme works valued at \$637,577 (including GST) which will be repaid over seven years. The new rate will be \$74.53 (including GST) for all ratepayers in the former Whangaroa Ward and includes the river maintenance works on smaller rivers and streams from Taupo Bay to Te Ngāire. The Council had consulted on funding two further stages at a combined cost of \$776,334, one at Kaeo the other at Tauranga Bay. The Council has decided to put these works on hold in response to the comments and suggestions from the majority of submitters.

Kaihū River Management Scheme

The Council will continue with the next stage in the feasibility study for the flood management scheme for Kaihū Valley, Dargaville. Officers will liaise with affected landowners and the Liaison Committee on the configuration of the scheme, including spillway dimensions and locations.

There are no significant variations within this group of activities.

council groups of activities

land and rivers

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	89,825	85,000	4,825
Targeted Rates	782,234	1,225,037	(442,803)
TOTAL OPERATING REVENUE	872,059	1,310,037	(437,978)
EXPENDITURE			
Personnel Costs	986,465	1,101,213	114,748
Depreciation	45,640	53,073	7,433
Finance Costs	–	19,405	19,405
Other Operating Expenses*	2,260,979	2,441,095	180,116
Support Costs internally allocated to Activity	630,479	673,676	43,197
TOTAL OPERATING EXPENDITURE	3,923,563	4,288,462	364,899
Less Non-Cash Items	45,640	72,478	26,838
NET CASH COST/(SURPLUS) OF ACTIVITY	3,005,864	2,905,947	(99,917)
<i>Funded by:</i>			
Targeted Land Management Rate	2,355,618	2,607,533	(251,916)
Investment Income	421,271	121,798	299,473
Transfer from/(to) Cash Reserves	228,975	176,616	52,359
TOTAL OPERATIONAL FUNDING	3,005,864	2,905,947	99,917
CAPITAL EXPENDITURE	42,270	596,685	554,415
<i>Funded by:</i>			
Targeted Land Management Rate	31,152	29,376	1,776
Transfer from Cash Reserves	11,118	567,309	(556,190)
TOTAL CAPITAL FUNDING	42,270	596,685	(554,415)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Hazard Management	1,196,593	1,027,386	(169,206)
River Management	1,203,129	1,546,198	343,069
Land and Biodiversity	1,523,841	1,714,878	191,037
TOTAL LAND AND RIVERS	3,923,563	4,288,462	364,899

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$162,601; Repairs and Maintenance Costs \$742,649; Fixed Costs (including insurance, rent, security) \$9,000; Operational Costs (including consultancy, legal fees contractors and contracted works) \$1,519,039; Members Costs \$7,805.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Other Operating Expenditure has increased predominantly due to the introduction of Whāngārei River works.
- Hazard Management (River Prioritisation) Expenditure is less than budget due to works being decreased to repay borrowing from reserves that was used to accelerate works in previous years.
- Land and Biodiversity Personnel Expenditure has increased due to a review of the percentage of time worked in the Land and Biodiversity activity by Land and River staff and the transfer of one full time equivalent into Land and Biodiversity from the Monitoring activity.

Operating Revenue

- Targeted River Management Rates have increased predominantly due to the introduction of the Whāngārei Urban Rivers Management Rate.

council groups of activities

land and rivers continued

Targets for the year ended 30 June 2012

Activity 8.1 Hazard Management

8.1.1 Reduce risk from natural hazards.

Performance Measures 2011-2012

- a. Prioritise actions arising from flood risk reduction plans and implement accordingly.
- b. Develop coastal hazard risk reduction plans for priority coastal communities.
- c. Undertake beach profiling, representative of summer and winter conditions at priority sites, and as required following erosion or accretion at secondary sites.
- d. Promote natural hazard risk reduction.

Performance Targets 2011-2012

- Actions prioritised and implementation commenced by 30 June 2011. Progress reported six monthly to the Environmental Management Committee.
- Coastal hazard risk reduction plans commenced for priority coastal communities by November 2010 and continued in 2011. Progress reported six monthly to the Environmental Management Committee.
- Priority beach profile sites monitored twice yearly and reported within two months to the Council in the CEO's report.
- Promote awareness of natural hazard risks at least annually through the appropriate media, including measures to avoid, manage or mitigate such risks.
- Provide appropriate advice within 20 days of receiving requests for advice, and report annually on the number and type of responses given to the Council in the CEO's report.

Activity 8.2 River Management

8.2.1 Manage rivers to reduce flood hazard risk.

Performance Measures 2011-2012

- a. Manage the Awanui River Flood system in line with the Awanui River Management Plan.
- b. Manage the Kaihū River scheme in accordance with the Interim Kaihū River Management Plan.
- c. Carry out works in the Kaeo River and Whangaroa Streams according to the Interim Flood Management Plan for the Kaeo River and Whangaroa Rivers and Streams from Taupo Bay to Te Ngaire.

Performance Targets 2011-2012

- Report management outcomes to each meeting of the Awanui River Flood Management Plan Liaison Committee and on a six-monthly basis to the Environmental Management Committee.
- Report management outcomes to each meeting of the Kaihū River Management Liaison Committee and on a six-monthly basis to the Environmental Management Committee.
- Report management outcomes to each meeting of the Kaeo River – Whangaroa Catchment Management Liaison Committee and on a six-monthly basis to the Environmental Management Committee.

Activity 8.3 Land and Biodiversity

8.3.1 Promote the sustainable management of land including soil, water and ecosystems in the Northland region.

Performance Measures 2011-2012

- a. Collaborate with representatives of primary sector groups and land owners to promote sustainable land and water management practices.
- b. Promote and support community based CoastCare groups through the provision of information and resources for dune restoration activities.
- c. Promote indigenous biodiversity in Northland and the restoration and enhancement of priority ecosystems/natural resources.
- d. Support indigenous biodiversity protection and enhancement on private land and by community groups through the Environment Fund.
- e. Collaborate with, and align the Council's policy approach with Environment Waikato, Environment Bay of Plenty and the Auckland Regional Council on the management of mangroves.
- f. Review the need for a region-wide authorisation process to facilitate the removal of 'young' mangroves from clearly designated areas.

Performance Targets 2011-2012

- Minimum of three meetings held annually with primary sector groups. Outcomes reported to the Council via the CEO's report.
- Provide appropriate advice within 20 days of receiving requests for advice. Report annually on the number and type of responses given via the CEO's report to the Council.
- Visit each CoastCare site at least annually and report outcomes to the Council via the CEO's report.
- Promote CoastCare messages through press releases every two months and report outcomes to the Council via the CEO's report.
- Produce a relevant media release every six months.
- Contribute a minimum of \$500,000 annually through the Environment Fund. Report annually to the Environmental Management Committee on outcomes achieved and funding provided.
- Organise at least two special meetings annually of the combined councils which consider mangroves.
- Report progress annually to the Environmental Management Committee.

council groups of activities

biosecurity

Main Objectives for 2011-2012

Activity 9.1 Biosecurity

Reduce the adverse impacts of pest organisms, pest plants and animal pests on the environment, the economy and human health by:

- Continuing to reduce the adverse impacts of pests on the environment, economy and human health.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

biosecurity

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
User Charges	390,117	251,000	139,117
Other Revenue	10,568	2,000	8,568
TOTAL OPERATING REVENUE	400,685	253,000	147,685
EXPENDITURE			
Personnel Costs	622,000	580,133	(41,867)
Depreciation	30,455	48,826	18,371
Other Operating Expenses*	1,351,476	1,166,458	(185,018)
Support Costs internally allocated to Activity	460,422	407,664	(52,758)
TOTAL OPERATING EXPENDITURE	2,464,354	2,203,081	(261,273)
Less Non-Cash Items	30,455	48,826	18,371
NET CASH COST/(SURPLUS) OF ACTIVITY	2,033,214	1,901,255	(131,959)
<i>Funded by:</i>			
Targeted Land Management Rate	1,581,365	1,725,924	(144,559)
Investment Income	303,871	45,057	258,814
Transfer from/(to) Cash Reserves	147,978	130,274	17,704
TOTAL OPERATIONAL FUNDING	2,033,214	1,901,255	131,959
CAPITAL EXPENDITURE	5,284	1,500	(3,784)
<i>Funded by:</i>			
Targeted Land Management Rate	5,284	1,500	3,784
TOTAL CAPITAL FUNDING	5,284	1,500	3,784
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Biosecurity	2,464,354	2,203,081	(261,273)
TOTAL BIOSECURITY	2,464,354	2,203,081	(261,273)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$104,722; Operational Costs (including consultancy, legal fees contractors and contracted works) \$1,061,736.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Operating Expenditure is less than forecast, in part due to a change in the way field materials are sold (see explanation below) and also due to a review of the Regional Pest Management Strategy which has led to a reduction in the requirement of field equipment.

Operating Revenue

- User Charges are reduced due to a change in the way field materials are sold. There is an offsetting reduction in field material expenditure.

council groups of activities

biosecurity continued

Targets for the year ended 30 June 2012

Activity 9.1 Biosecurity

9.1.1 Reduce the adverse impacts of pests on the environment, economy and human health.

Performance Measures 2011-2012

- a. Review all pest management strategies in accordance with the provisions of the Biosecurity Act.
- b. Prepare new Pest Management Strategies as required and in accordance with the provisions of the Biosecurity Act.
- c. Prepare annual operational plans for each regional pest and report on outcomes.
- d. Develop, implement and enforce animal, plant and insect pest management strategies for land, freshwater and marine pests.
- e. Conduct annual monitoring on Tropical Grass Webworm and report Webworm larva presence to property owners as appropriate.
- f. Actively pursue opportunities for partnerships with the community, crown and other pest agencies via community pest plans (CPCA) and other agreements.
- g. Achieve low to moderate density of possums in specified areas.
- h. Provide a pest identification service.

Performance Targets 2011-2012

- Carry out a five year formal review of all pest management strategies by 1 July 2010.
- All new strategies considered by the Environmental Management Committee.
- Plans prepared by August each year and reported to the Environmental Management Committee.
- Develop one marine management strategy to enhance the Region's marine capability and response to marine pest invasions by 2010.
- Implement by 30 June 2012.
- 100% of all African Feathergrass sites under management by 31 December 2010 and 90% eradicated by 31 December 2012.
- Monitor at least seven sites per annum.
- Notify property owner if Webworm larva is present in more than 50m² of pasture monitored.
- Establish at least one new partnership with a pest agency and five new community pest plans (CPCA) annually and report to the Environmental Management Committee.
- Achieve at least 15% maintenance level on residual possum densities.
- No more than 15% possum density overall.
- Provide a response to all enquiries within five working days and report annually to the Environmental Management Committee.

council groups of activities

emergency management

Main Objectives for 2011-2012

Activity 10.1 Emergency Management

Create resilient communities in Northland by enhancing their capability to manage emergencies and the capability to recover from disasters by:

- Continuing to increase the community's capability to respond to, and recover from, Civil Defence Emergencies.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

emergency management

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	10,568	–	10,568
TOTAL OPERATING REVENUE	10,568	–	10,568
EXPENDITURE			
Personnel Costs	115,128	123,258	8,130
Depreciation	–	2,988	2,988
Other Operating Expenses*	45,151	50,182	5,031
Support Costs internally allocated to Activity	65,441	66,800	1,359
TOTAL OPERATING EXPENDITURE	225,720	243,228	17,508
Less Non-Cash Items	–	2,988	2,988
NET CASH COST/(SURPLUS) OF ACTIVITY	215,152	240,240	25,088
<i>Funded by:</i>			
Targeted Land Management Rate	165,420	202,810	(37,390)
Investment Income	33,841	9,702	24,139
Transfer from/(to) Cash Reserves	15,891	27,728	(11,837)
TOTAL OPERATIONAL FUNDING	215,152	240,240	(25,088)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Emergency Management	225,720	243,228	17,508
TOTAL EMERGENCY MANAGEMENT	225,720	243,228	17,508

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$15,817; Operational Costs (including consultancy, legal fees contractors and contracted works) \$34,364.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Revenue

- Grants and Subsidies income is reduced due the discontinuation of the Civil Defence subsidy received by the Civil Defence Emergency Management Group.

Targets for the year ended 30 June 2012

Activity 10.1 Emergency Management

10.1.1 Increase the community's capability to respond to, and recover from, Civil Defence emergencies.

Performance Measures 2011-2012

- a. Develop, implement and review the Northland CDEM Group Plan.
- b. Establish Northland Civil Defence Emergency Group (CDEMG) Emergency Management Office to provide logistical and administrative support.
- c. Develop Community Response Plans in accordance with the CDEM Group Plan.
- d. Develop and implement training and exercise programmes for all agencies across the CDEM sector in Northland.
- e. Co-ordinate support and continue development of the Welfare Advisory Group, Lifelines Utility Group and the Rural Support Trust.
- f. Respond to Civil Defence emergencies in accordance with the approved CDEMG Emergency Operations Centre Activation Plan.

Performance Targets 2011-2012

- Implement and monitor during 2010-2011.
- Co-ordinating Executive Group to meet at least six times a year and the Civil Defence Emergency Management Group to meet quarterly.
- 20 plans (50%) completed by 2011.
- Provide a minimum of three co-ordinated incident management courses per year.
- Quarterly outcomes reported through the Co-ordinating Executive Group Chair to the Civil Defence Emergency Management Group.
- Within one month of each activation, hold a formal debrief and report the outcome to the CDEMG meeting within three months.

council groups of activities

maritime operations

Main Objectives for 2011-2012

Activity 11.1 Oil Pollution Response

Minimise the risk and adverse effects of marine oil spills on the Northland environment by:

- Continuing to maintain and implement the Marine Oil Spill Contingency Plan.
- Continuing to respond to marine oil spills in the Northland Region.

Activity 11.2 Harbour Safety and Navigation

Provide services that promote safe navigation and use of Northland harbours and coastline by:

- Continuing to promote safe navigation on all Northland harbours and coastline.

Variations from the Northland Community Plan 2009-2019

There are no significant variations within this group of activities.

council groups of activities

maritime operations

Prospective Statement of Costs and Funding for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	115,482	78,918	36,564
User Charges	539,475	760,296	(220,821)
Other Revenue	25,362	25,055	307
TOTAL OPERATING REVENUE	680,319	864,269	(183,950)
EXPENDITURE			
Personnel Costs	705,102	653,689	(51,413)
Depreciation	116,582	116,672	90
Other Operating Expenses*	345,435	402,929	57,494
Support Costs internally allocated to Activity	378,154	329,824	(48,330)
TOTAL OPERATING EXPENDITURE	1,545,273	1,503,114	(42,159)
Less Non-Cash Items	116,582	116,672	90
NET CASH COST/(SURPLUS) OF ACTIVITY	748,372	522,173	(226,199)
<i>Funded by:</i>			
Targeted Council Service Rate	317,769	309,107	8,662
Investment Income	245,018	38,653	206,365
Transfer from/(to) Cash Reserves	185,585	174,413	11,172
TOTAL OPERATIONAL FUNDING	748,372	522,173	226,199
CAPITAL EXPENDITURE	124,502	182,995	58,493
<i>Funded by:</i>			
Targeted Council Service Rate	116,582	116,672	(90)
Transfer from Cash Reserves	7,920	66,323	(58,403)
TOTAL CAPITAL FUNDING	124,502	182,995	(58,493)
TOTAL OPERATING EXPENDITURE BY ACTIVITY			
Harbour Safety and Navigation	1,387,583	1,390,897	3,314
Oil Pollution	157,690	112,217	(45,473)
TOTAL MARITIME OPERATIONS	1,545,273	1,503,114	(42,159)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$47,436; Repairs and Maintenance Costs \$117,600; Fixed Costs (including insurance, rent, security) \$34,000; Operational Costs (including consultancy, legal fees contractors and contracted works) \$203,893.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Personnel Expenditure increased due to the addition of a maritime skipper required to assist with increased pilotage demands.

Operating Revenue

- User Charges have increased predominantly due to increased pilotage as a result of increased number of visiting ships and increase in bylaw fee income.

council groups of activities

maritime operations continued

Targets for the year ended 30 June 2012

Activity 11.1 Oil Pollution Response

11.1.1 Maintain and implement the Marine Oil Spill Contingency Plan.

Performance Measures 2011-2012

- a. Maintain an up-to-date Marine Oil Spill Contingency Plan.
- b. Ensure appropriate equipment is available to respond to oil spills in accordance with the Plan.
- c. Conduct oil spill response exercises.

Performance Targets 2011-2012

- Plan updated every six months.
- Provide quarterly equipment maintenance reports to Maritime New Zealand.
- Exercises undertaken as detailed in the Plan.

11.1.2 Respond to marine oil spills in the Northland region.

Performance Measures 2011-2012

- a. Maintain a team of trained oil spill responders.
- b. Provide equipment to support an oil spill response.
- c. Develop and maintain current memoranda of understanding with response partners.
- d. Monitor oil transfer sites for compliance with oil spill prevention and response capability requirements.
- e. Record all marine oil spill response actions.

Performance Targets 2011-2012

- Maritime NZ Training is carried out on an ongoing four yearly cycle and a 24/7 roster is maintained.
- File a Maritime NZ return for equipment maintenance on a quarterly basis.
- Jointly assessed between partners on an annual basis and reported annually.
- Monitor and report compliance on an annual basis.
- Report monthly in the CEO's report to Council.

Activity 11.2 Harbour Safety and Navigation

11.2.1 Promote safe navigation on all Northland harbours and coastline.

Performance Measures 2011-2012

- a. Update the risk assessment and safety management systems for the Whāngārei and Bay of Islands harbours.
- b. Assess whether the present harbour safety management systems are adequate.
- c. Develop harbour safety management plans for harbours not covered by formal safety management systems.
- d. Maintain a network of harbour wardens and patrols to promote compliance with the Navigation Safety Bylaw 2007.
- e. Provide safety advice and pilotage for vessels entering into the Bay of Islands.
- f. Provide and maintain aids to navigation as required for safe navigation on Northland harbours.
- g. Provide a 24/7 maritime navigation and safety incident reporting and response system.

Performance Targets 2011-2012

- Annually reviewed and reported monthly in the CEO's report to Council.
- Code application assessment annually reviewed and amendments recorded in the safety management system.
- Three harbour safety management plans per annum by 30 June each year and reported monthly in the CEO's report to Council.
- Incidents and investigations are reported monthly in the CEO's report to Council.
- Advice provided and pilotage numbers reported monthly in the CEO's report to Council.
- Six year rolling maintenance programme is undertaken and activity reported monthly in the CEO's report to Council.
- Incidents and investigations reported monthly in the CEO's report to Council.

council groups of activities

support services

Support Services are core corporate services provided centrally to support the efficient and effective operations of the Council.

Support Services are charged internally across Council activities by way of an internal overhead charge allocated on the basis of appropriate cost drivers.

Support Services include:

- Financial accounting, reporting and investment, rating revenue systems;
- Information services;
- Human Resources and Health and Safety;
- Records management and administration; and
- Other support activities.

Support Services do not necessarily provide a direct contribution toward the achievement of Regional Community Outcomes. However, Support Services ensure the Council has the best information available for its decision making, the best people to carry out the work needed to be done and that the Council operates in a safe, legally correct and professional manner.

council groups of activities

support services

Prospective Statement of Costs and Funding

for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
EXPENDITURE			
Personnel Costs	1,880,215	1,585,402	(294,813)
Depreciation	767,341	660,187	(107,154)
Finance Costs	1,057	1,000	(57)
Other Operating Expenses*	2,606,421	2,646,690	40,270
Less Support Costs internally recovered	(5,255,034)	(4,893,279)	361,755
TOTAL EXPENDITURE	0	(0)	(0)
Allocated to Functional Activities:			
Democracy and Corporate Services	208,008	267,199	59,191
Regional Information and Engagement	469,771	467,598	(2,173)
Regional Economic Development	23,372	10,437	(12,935)
Resource Management Planning	438,453	379,506	(58,947)
Transport	168,276	205,169	36,893
Consents	769,396	647,123	(122,273)
Environmental Monitoring	1,643,262	1,438,283	(204,979)
Land and Rivers	630,479	673,676	43,197
Biosecurity	460,422	407,664	(52,758)
Emergency Management	65,441	66,800	1,359
Maritime Operations	378,154	329,824	(48,330)
TOTAL NORTHLAND REGIONAL COUNCIL	5,255,034	4,893,279	(361,755)
CAPITAL EXPENDITURE	1,189,213	2,996,382	1,807,169
<i>Funded by:</i>			
Transfer from Cash Reserves	1,189,213	2,996,382	(1,807,169)
TOTAL CAPITAL FUNDING	1,189,213	2,996,382	(1,807,169)

* Other Operating Expenses include:

Administration Costs (including telephones, publications photocopying, stationery) \$1,522,843; Repairs and Maintenance Costs \$78,100; Fixed Costs (including insurance, rent, security) \$269,500; Operational Costs (including consultancy, legal fees contractors and contracted works) \$764,415; Members Costs \$11,832.

Key Financial Variations from the Northland Community Plan 2009-2019

Operating Expenditure

- Personnel Costs have reduced as staff have been reorganised and transferred to other activities since the compilation of the Northland Community Plan.

Operating Revenue

- No significant variances.

forecast financial statements – significant forecasting assumptions

The Financial Statements should be read in conjunction with the Accounting Policies and Notes.

Schedule 10 of the Local Government Act 2002 requires that the Council identifies the significant forecasting assumptions and risks underlying the financial information set out in the 10 year Community Plan. *The significant forecasting assumptions can be found in volume two of the Community Plan on pages 9 to 17.* Where there is a high level of uncertainty the Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions. The level of uncertainty is determined by reference to both the likelihood of occurrence and the financial materiality.

Each year Council reviews its position and has the opportunity to revise the intentions signalled in the 2009 Long Term Plan. An Annual Plan was then prepared for the 2010-2011 financial year and this Annual Plan is prepared for the 2011-2012 financial year. A Long Term Plan will then be prepared for the ten year period commencing with the 2012-2013 financial year. The preparation of annual plans provides an opportunity for ratepayers and residents to review the planned activities and projected financial results and position of the Council.

The significant forecasting assumptions used in developing the financial forecasts in this 2011-2012 Annual Plan are detailed in the tables overleaf and in Volume Two of the 2009 Community Plan.

The purpose of these planning assumptions is to provide an update on the most significant assumptions included in the Community Plan. Throughout this Annual Plan, explanations and reconciliations between the prospective financial statements included in the Community Plan and the revised prospective statements included in this Plan are provided.

The 2011-2012 Annual Plan will be ratified through a special consultative procedure, in accordance with the Local Government Act 2002.

The financial forecasted information disclosed is future focused for the purposes of the Financial Reporting Standard FRS 42: Prospective Financial Statements and accordingly there are a number of budget assumptions, that at the time of preparing the forecasted information, Council reasonably expects to occur. The Council has complied with FRS 42 in the preparation of these prospective financial statements. These assumptions are necessary as the budget is future focused and relies on certain events and assumptions taking place. Assumptions are required to ensure there is a consistent and justifiable basis for the preparation of the financial forecasts.

The information presented in prospective financial statements, is by definition, uncertain and its preparation requires the exercise of judgement. Events and circumstances may not occur as expected or may not have been predicted. In addition, Council may subsequently take actions which differ from the intended courses of action on which the prospective financial statements were based. Actual financial results may be materially different to the forecasted financial information presented in this Annual Plan.

Council has assumed that the actual results for the 2010-2011 financial year will be in accordance with the prospective financial statements set out in the 2010-2011 Annual Plan. With the passage of time, if the actual 2010-2011 full year financial results are expected to be materially different to forecasted results, the financial forecasts will be updated to reflect this prior to the final adoption of the Annual Plan in June 2011.

The information presented in this document represents the course of action Council proposes to take. Council has a reasonable and supportable basis for the determination of assumptions underlying these prospective financial statements. The realisation of assumptions may have a direct impact on resulting rates and funding requirements. The information in these financial statements may not be appropriate for purposes other than those described.

The prospective financial statements were authorised for issue on 15 March 2011 by Northland Regional Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying the prospective financial statements and all other disclosures. The Annual Plan is prospective and as such contains no actual operating results.

forecast financial statements – significant forecasting assumptions continued

General Assumptions

Assumption	Risk	Level of Uncertainty		Impact of assumption with high financial risk
		Likelihood	Financial Impact	
<p>Levels of Service</p> <p>Demand for Council services and customer expectations regarding levels of service will not significantly change and therefore there will be no significant effect on asset requirements operating expenditure.</p>	<p>There are significant changes in customer expectations regarding demand for services or levels of service.</p>	Low	Low	<p>The Council has well defined service levels for its planned activities.</p>
<p>Regional Population Growth</p>	<p>The growth in the ratepayer base is higher or low than projected.</p>	Low	Low	<p>Council uses the most up to date rating information provided by the Far North, Kaipara and Whāngārei District Councils in early 2011. Minor fluctuations in the ratepayer base will not have a material impact on rates.</p>

Financial Assumptions

Assumption	Risk	Level of Uncertainty		Impact of assumption with high financial risk
		Likelihood	Financial Impact	
<p>Inflation</p> <p>The Council has adjusted 2011-2012 base financial projections to reflect the estimated impact of inflation.</p>	That actual inflation will be significantly different from the assumed inflation.	Low	Low	<p>Inflation is unlikely to be materially different to budget estimates over the coming year.</p> <p>Council has relied on the Reserve Bank use of monetary controls to keep inflation within the 1.5 to 3% range.</p>
<p>Carbon Neutrality</p> <p>Council has no obligation or liability under the NZ ETS, as its Forestry Management Plan prescribes the replanting or re-vegetation of all harvested areas.</p> <p>Council is likely to be a recipient of further carbon credits. The credits are provided as compensation for loss in land value and as such considered to be capital in nature. In accordance with the Revenue and Finance Policy this money would be set aside for further reinvestment. Due to the uncertainty surrounding the legislation and the receipt of further credits and their value, Council considered it was not financially prudent to estimate monetary values and include these within the 2011-2012 financial forecast.</p> <p>Based on the pre 1990 forest land allocation of NZUs, Council received 6693 New Zealand Units (NZUs) in the 2010-2011 financial year. These units have an estimated capital value of \$128,000.</p> <p>A further 10,767 NZUS are expected to be received in the 2012-2013 financial year, however the transfer of such units is subject to carbon protocols continuing and a review of the NZ Emission Trading Scheme.</p>	Low	High	Low	<p>The monetary value of carbon credits (New Zealand Units (NZUs)) Council receives is not expected to be material. Carbon credits are capital in nature and will not impact on operating results.</p>

forecast financial statements – significant forecasting assumptions continued

Revenue Assumptions

Assumption	Risk	Level of Uncertainty		Impact of assumption with high financial risk
		Likelihood	Financial Impact	
<p>Rate Revenue</p> <p>Council is proposing to increase average rates by 14.5% (excluding targeted river management rates). The increase in proposed rates is to cover general cost increases, but is predominantly caused by the proposed increase in rating income to offset the redirection of Investment income to a regional investment reserve.</p>	That the projected rate increases are insufficient to cover price changes resulting from inflation.	Low	Low	Council will actively monitor actual results against budget.
<p>Expected Returns on Investments</p> <p>Council has forecast the following returns for significant investments:</p> <ul style="list-style-type: none"> • Estimated Cash Call Rate: 4% • Estimated Term Deposit Rate: 5.5% • Estimated Internal Interest Rate: 7% 	That prevailing interest rates will differ significantly from those estimated.	Medium	Low	A reduction in interest revenue may result in Council not being able to fund its planned levels of service across all its activities. Planned levels of service may be reduced accordingly.

statement of significant accounting policies

The Financial Statements should be read in conjunction with the Accounting Policies and Notes.

Statement of Compliance

The prospective financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Summary of Significant Accounting Policies

The prospective financial statements are prepared in accordance with the Local Government Act 2002. These prospective financial statements are presented in New Zealand dollars rounded to the nearest dollar, unless stated otherwise.

Reporting Entity

The Northland Regional Council is a local authority governed by the Local Government Act 2002 and is domiciled in New Zealand.

The Council's group comprises the Council and its subsidiary entities, namely:

1. Northland Port Corporation (NZ) Ltd (53.61% owned) and its subsidiaries.
2. Northland Regional Council Community Trust (100% owned) and its subsidiaries.

All Northland Regional Council subsidiaries are incorporated and domiciled in New Zealand.

The primary objective of Northland Regional Council is to provide goods or services for the community or social benefit, rather than making a financial return. Accordingly, Northland Regional Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The prospective financial statements are prepared for the year ending 30 June 2011.

Judgements and Estimates

The preparation of prospective financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Where material, information in the major assumptions is provided in the relevant account policy or will be provided in the relevant note to the prospective financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

Basis of Preparation

Measurement Base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain property plant and equipment, investment property, forestry assets and available-for-sale financial assets and financial instruments (including derivative instruments).

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Northland Regional Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Performance, except when deferred in equity as qualifying cash flow hedges.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at balance sheet date.

Revenue

Revenue and expenditure are measured at the fair value of the consideration received or paid.

Rates Revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised and brought to account when the rates are payable.

Other Revenue

User fees and charges are recognised and brought to account when invoices are issued for services provided and contracts completed. Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services provided.

Government grants and subsidies are recognised as revenue when the primary conditions of entitlement have been met.

statement of significant accounting policies continued

Sale of goods is recognised when a product is sold to a customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

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

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

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

Rental income from investment property is recognised in the Statement of Financial Performance on a straight-line basis over the term of the lease. Lease incentives are recognised as part of the total rental income.

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

Construction Contracts

Contract revenue and contract costs are recognised as revenue and expenses, respectively, by reference to the stage of completion of the contract as balance date. The stage of completion is measured by reference to the contract costs incurred, up to the balance date, as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with the group's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the statement of financial performance.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred, and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress stated at the aggregate of contract costs incurred, to date, plus recognised profits less recognised losses and progress billings. If there are contracts in which progress billings exceed the aggregate costs incurred, plus profits less losses, the net amounts are presented under other liabilities.

Expenditure

Expenditure is recognised when goods and services have been received.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except to the extent that these arise on the acquisition, construction or production of qualifying assets. In that case, borrowing costs will be capitalised as part of the cost of the asset.

Grant Expenditure

Non-discretionary grants are those grants that are awarded when the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where NRC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the NRC's decision.

Income Tax

The income tax expense charged to the consolidated Statement of Comprehensive Income includes both current and deferred tax and is calculated after allowing for non-assessable income and non-deductible expenses.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

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

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

Current tax and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

There are two entities within the group that are exempt from income tax, being Destination Northland Limited and Enterprises Northland Trust. These entities both form part of the Northland Regional Council Community Trust group.

Leases

Operating Leases

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

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the NRC recognises finance leases as assets and liabilities on the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset.

The finance charge is charged to the statement of financial performance over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Debtors and Other Receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Derivative Financial Instruments and Hedging Accounting

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

The Council and Group designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- Hedges of highly probably forecast transactions (cash flow hedge).

The Council and Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council and group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedge accounted derivative is classified as a noncurrent asset if the remaining maturity of the hedged item is more than 12 months, and as a current asset if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Fair Value Hedge

The gain or loss from remeasuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or deficit. Fair value hedge accounting is only applied for hedging fixed interest risk on borrowings.

If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or deficit over the period to maturity.

statement of significant accounting policies continued

Cash Flow Hedge

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion of the gain or loss on the hedging instrument is recognised in the surplus or deficit as part of finance costs.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in other comprehensive income are reclassified into the surplus or deficit in the same period or periods during which the asset acquired, or liability assumed, affects the surplus or deficit. However, if the Council or the group, expects that all, or a portion of a loss, recognised in other comprehensive income will not be recovered in one or more future periods, the amount that is not expected to be recovered is reclassified in the surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or a non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the associated gains and losses that were recognised in other comprehensive income will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument has been recognised in other comprehensive income from the period when the hedge was effective will remain separately recognised in other comprehensive income until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that remains recognised in other comprehensive income from the period when the hedge was effective will be from other comprehensive income to the surplus or deficit.

The Council's subsidiary, Northland Port Corporation (NZ) Limited, uses derivative financial instruments to hedge exposure to foreign exchange and interest rate risks arising from financing activities.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The accounting policies detailed above are applied.

Financial Assets

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The NRC classifies its financial assets into the following four categories:

- Financial Assets at Fair Value through Surplus or Deficit;
- Loans and Receivables;
- Held-to-Maturity Investments; and
- Financial at Fair Value through Other Comprehensive Income.

The classification depends on the purpose for which the investments were acquired.

Financial Assets at Fair Value through Surplus or Deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short term profit taking.

Derivatives are also categorised as held for trading unless they are designated as hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values. Gains or losses on remeasurement are recognised the surplus or deficit.

Financial assets in this category include investment in quoted shares and interest rate swaps not qualifying as hedges by Northland Port Corporation (NZ) Limited, and investment in quoted shares by way of a managed fund which was designated at fair value through profit or loss at inception by the Northland Regional Council Community Trust.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in noncurrent assets.

Council's loans and receivables comprise cash and cash equivalents, debtors and other receivables, and term depositions.

After initial recognition, they are measured at amortised cost using the effective interest method, less impairment. Loans and receivables issued with duration of less than 12 months are recognised at their nominal value. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Prepayments comprise significant items of expenditure having a benefit to more than one accounting period and are written off over the period to which they relate.

Held-to-Maturity Investments

Held-to-Maturity Investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in noncurrent assets.

Council does not hold any Held-to-Maturity Investments.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Financial Assets at Fair Value through Other Comprehensive Income

Financial assets at Fair Value through Other Comprehensive Income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date.

This category includes:

- Investments in quoted shares that have been designated in Treasury Management policy as being available for sale;
- Investments that are intended to be held long-term but which may be realised before maturity; and
- Shareholdings that are held for strategic purposes.

The Council's investments in its subsidiary and associate entities are not included in this category as they are held at cost (as allowed by NZ IAS 27 Consolidated and Separate Financial Statements and NZ IAS 28 Investments in Associates), whereas this category is to be measured at fair value.

After initial recognition, these investments are measured at their fair value, with gains and losses recognised directly in equity except for impairment losses, which are recognised in the surplus or deficit.

On derecognition, the cumulative gain or loss previously recognised in equity is recognised other comprehensive income is reclassified from equity to the surplus or deficit.

Included in this category are the Council's investments in Local Authority stocks. Fair value for these investments is provided by ETOS and is determined by reference to published price quotations in an active market.

Impairment of Financial Assets

At each balance date the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the surplus or deficit.

Loans and Other Receivables, and Held-to-Maturity Investments

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rates. For debtors and other receivables, the carrying amount is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). Impairment in term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instrument's carrying amount.

Financial Assets at Fair Value through Other Comprehensive Income

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive income, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

In a subsequent period the fair value of the debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

statement of significant accounting policies continued

Inventories

Inventories (such as stores and materials) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower cost, adjusted when applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost at net realisable value. The cost of purchased inventory is determined using the FIFO method. Amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributed to the development land are to be capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

Marsden to Oakleigh Rail corridor Designation is made up of the costs directly attributable to securing the rail corridor designation. This inventory asset is held for distribution. The future economic benefit or service potential of this asset is not directly related to Councils ability to generate future cash inflows. The value of this inventory is at cost and when applicable, will be adjusted for any loss of service potential. Council will transfer the rail corridor to ONTRACK once ONTRACK has entered into an unconditional contract for the construction of the entire Marsden Point Rail Link.

Non-Current Assets Held for Sale

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

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

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

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, Plant and Equipment

Property, plant and equipment consist of:

Operational Assets – These include land, buildings, amenities, plant and equipment, navigational aids, vehicles and vessels and dredging equipment.

Infrastructure Assets – Infrastructure assets are the assets that comprise the Awanui River flood management system, including stop-banks and floodgates.

Restricted Assets – There are no restrictions on the assets of the Northland Regional Council or the Northland Regional Council Community Trust. There are no restrictions on the assets of the Northland Port Corporation (NZ) Ltd.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Revaluation

The Northland Regional Council and the Northland Regional Council Community Trust revalue the land and buildings' asset class annually, on the basis described below. All other asset classes are carried at depreciated historical costs.

Northland Port Corporation (NZ) Limited revalues certain classes of asset. Revaluations of property, plant and equipment are accounted for on a class of asset basis. Those asset classes that are revalued are valued annually, on the basis described below. All other asset classes are carried at depreciated historical cost.

The results of revaluing are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

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

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and owner occupied buildings, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Owner occupied buildings are revalued annually and no depreciation is charged on these assets. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	5-100 years	1-20%
Amenities	5-100 years	1-20%
Forest	10 years	10%
Plant and Equipment	2-20 years	5-50%
Navigational Aids	10 years	10%
Vehicles	4-5 years	20-25%
Vessels and Dredging Equipment	10-25 years	4-10%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end

Operational Land and Buildings

The freehold port land (excluding land held for resale) owned by Northland Port Corporation (NZ) Limited is revalued annually at fair value, as determined by market-based evidence, by an independent valuer.

Amenities owned by Northland Port Corporation (NZ) Limited are not revalued but recorded at a cost which, in the opinion of the directors, approximates fair value.

Land and buildings held by the Northland Regional Council and the Northland Regional Council Community Trust are revalued annually at fair value, as determined by market-based evidence, by an independent valuer.

Intangible Assets**Software Acquisition and Development**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the NRC, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Costs associated with maintaining computer software are recognised as an expense, when incurred.

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use, and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives' associated amortisation rates have been estimated as follows:

Computer software	4-5 years	20-25%
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Capital Projects in Progress

Capital expenditure projects not completed by balance date are recorded at cost.

Impairment of Property, Plant and Equipment and Intangible Assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested, annually, for impairment. Assets that have a finite life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash generating uses is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the Statement of Financial Performance, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill), the reversal of an impairment loss is recognised in the surplus or deficit.

statement of significant accounting policies continued

Biological Assets

Forestry assets are independently revalued, annually, by Chandler Fraser Keating Ltd at fair value less estimated point-of-sale costs. Fair value is the amount for which the forest asset would be expected to exchange between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties have each acted knowledgeably and without compulsion. Fair value is derived using a combination of the expectation value (or income) approach and the cost-based approach. Under the expectation value approach, the net present value is calculated by discounting to the present day the projected net cash flow of the forest in perpetuity. The calculated net present value is then linked to sales evidence through the application of a discount rate derived from the analysis of actual transactions. The cost-based approach is also employed in the valuation because the tree crop is a young, second rotation forest (80% by value are less than 10 years of age) and this approach better reflects how the market would likely view the tree crop value.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point-of-sale costs, and from a change in fair value less estimated point-of-sale costs, are recognised in the surplus or deficit.

The costs to maintain the biological assets are included as an expense in surplus or deficit.

Investment Property

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

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

After initial recognition, Council measures all investment property at fair value, as determined annually by Telfer Young (Northland) Ltd who are independent valuers, and who have recent experience in the location and category of the investment property being valued and hold a recognised and relevant professional qualification. Fair value is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value of investment property reflects, among other things, rental income from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental income from future leases in the light of current conditions.

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

Employee Entitlements

Short-term Employee Entitlements

Employee benefits that are expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Council anticipates it will be used by staff to cover those future absences.

Council recognises that a liability and an expense are recognised for bonuses where contractually obliged, or where there is a past practice that has created a constructive obligation.

Long-term Employee Entitlements

Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cashflows.

These estimated amounts are discounted to their present value using the 10-year Government bond rate.

Provisions

A provision for future expenditure of uncertain amount or timing is recognised when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where material, provisions are recorded at the best estimate of the expenditure required to settle the obligation. Provisions to be settled beyond 12 months are recorded at their present value.

Equity

Equity is the community's interest in the Northland Regional Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- accumulated funds,
- special reserves,
- asset revaluation reserves, and
- Fair value through other comprehensive income reserve.

Special reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the NRC.

Restricted reserves include the Land Management Rate Reserve, Recreational Facilities Rate Reserve, Awanui River Management Rate Reserve, Kaihū River Management Rate Reserve and the Kaeo River Management Rate Reserve, Environment Fund reserve. These reserves are restricted by law and reflect targeted rates that must be applied to the specific activities for which the rates were collected. Other reserves are established by the Council and may be altered at the discretion of the Council.

Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Northland Port Corporation (NZ) Limited

The Northland Regional Council owns 22,142,907 25¢ shares, being 53.61% of the issued capital of the Northland Port Corporation (NZ) Limited. The shares are recorded at \$7,827,563, being the deemed cost of 21.7 million shares of \$5,436,650.25 under the Northland Harbour Board Port Plan 1988, plus the cost of a parcel of shares acquired in May 2005, less the 652,294 shares sold in February 2009 as part of the share buy back process. The company has several subsidiaries, associate companies and joint venture interests which are detailed in the Notes to the Accounts in the Council's Annual Report.

Budget Figures

The budget figures are those approved by the Council at the beginning of the year in the Long Term Council Community Plan or Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

Cost Allocation

Northland Regional Council has derived the cost of service for each significant activity of the Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Inter-departmental direct costs are charged to the applicable department at the time the cost is incurred. Indirect costs are charged to operating activities using a weighted average percentage, based on the gross labour costs, number of staff, gross expenditure, revenues and working capital deployed.

Financial Risk Management Objectives and Policies

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. The NRC has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

The Group's principal financial instruments comprise the investment portfolio, finance leases and cash and short-term deposits. The Group has various other financial assets and liabilities such as trade receivables and trade payables which arise directly from its operations. The main risk arising from the Group's financial instruments are cashflow interest rate risk, liquidity risk, foreign currency risk and credit risk.

Details of the significant accounting policies and methods adopted, include the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset. Financial liabilities are disclosed in the notes to the financial statements.

Financial Instrument Risk

The Northland Regional Council has policies to manage the risk associated with financial instruments. They are both risk averse and seek to minimise exposure from their treasury activities. The Northland Regional Council has established Borrowing and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

statement of significant accounting policies continued

Market Risk

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Northland Regional Council's exposure to fair value interest rate risk is limited to interest-bearing investments within the portfolio.

Cash Flow Interest Rate Risk

Cashflow interest rate risk is the risk that the cashflows from a financial instrument will fluctuate because of changes in market interest rates. Investments at variable interest rates exposure the Northland Regional Council to cashflow interest rate risk.

The policies of the Northland Regional Council require a spread of investment maturity dates to limit exposure to short-term interest rate movements.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Northland Regional Council Community Trust causing the Trust to incur a loss.

Northland Regional Council investments are invested in accordance with the Treasury Management Policy which has a low risk profile. Investments are made with creditworthy institutions as determined by their Standard and Poors credit rating. Investment of surplus cash is limited to Local Authority and Government Stock and approved corporate bonds and deposits with New Zealand registered banks.

Accordingly, Northland Regional Council has no significant concentrations of credit risk.

Liquidity Risk

Liquidity risk is the risk that the Northland Regional Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through the investment portfolio. The vast majority of the investment portfolio is very liquid and able to be sold on the same day.

Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprises retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity

requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full costs of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets, detailing renewal and maintenance programmes to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out under Funding and Financial Policies in the Council's LTCCP.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Financial Reporting Standard 42: Prospective Financial Statements (FRS 42) Disclosures

The Council has complied with FRS 42 in the preparation of these prospective financial statements.

The Council publishes both parent entity and group financial statements for historical reporting purposes but does not publish group prospective financial statements. In accordance with FRS 42 the Council is required to disclose the reasons for not presenting group prospective financial statements. The Council has not prepared group financial statements because:

- The primary focus of the Community Plan is on the activities of the Council (parent) and the consequent impact on rates.
- The financial impact of transactions with group entities is reflected within the Community Plan/Annual Plan for funding purposes.

Emissions Trading Scheme

Northland Regional Council has 291 hectares of pre 1990 forest land. This land is subject to the provisions of the New Zealand emissions trading scheme (ETS). The implication of this for the financial accounts is two-fold:

1. should the land be deforested (i.e. the land is changed from forestry to some other purpose), a deforestation penalty will arise;
2. given the deforestation restriction, compensation units are being provided from the Government.

Compensation units are recognised based on the market value at the date received. They are recognised as income in the financial statements. Any income from the receipt or sale of these units is not taxable.

The deforestation contingency is not recognised as a liability on the balance sheet as there is no current intention of changing the land use subject to the ETS.

forecast financial statements

Prospective Statement of Comprehensive Income for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	1,232,703	1,370,884	138,181
User Charges	4,085,083	3,956,038	(129,045)
Revenue from Activities	5,317,786	5,326,922	9,136
Targeted Council Service Rate	4,984,812	6,966,873	1,982,061
Targeted Land Management Rate	4,138,839	4,567,144	428,305
Regional Infrastructure Rate	598,787	593,602	(5,185)
Northland Regional Recreational Facilities Rate	1,147,910	1,218,065	70,155
Targeted Rates	2,264,284	2,255,533	(8,751)
Total Rating Revenue	13,134,632	15,601,217	2,466,585
Rental Income	3,288,634	3,427,314	138,680
Interest Income	2,774,482	1,717,631	(1,056,851)
Dividend Income	1,367,712	1,328,574	(39,138)
Sundry Income	33,817	23,055	(10,762)
Other Revenue	7,464,645	6,496,574	(968,071)
Other Gains	102,060	102,060	–
TOTAL REVENUE	26,019,124	27,526,774	1,507,650
EXPENDITURE			
Personnel Costs	10,151,913	9,894,144	257,769
Depreciation	1,125,292	1,200,308	(75,016)
Finance Costs	1,057	1,000	57
Other Expenditure on Activities	14,125,034	14,025,895	99,139
TOTAL OPERATING EXPENDITURE	25,403,295	25,121,347	281,948
NET SURPLUS / (DEFICIT) FROM OPERATIONS	615,828	2,405,427	1,789,599
Other Comprehensive Income	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	615,828	2,405,427	1,789,599
Transfer from/(to) Reserves - Land Management	–	(100,000)	(100,000)
Transfer from/(to) Reserves - Whangaroa River Works	–	(81,456)	(81,456)
Transfer from/(to) Reserves - Recreational Facilities	(498,926)	(548,751)	(49,825)
Transfer from/(to) Reserves - Infrastructure	–	(269,885)	(269,885)
Transfer from/(to) Reserves - Northland Growth Fund	–	(1,375,455)	(1,375,455)
Transfer from/(to) Reserves - Forestry Equalisation	50,000	50,000	–
Transfer from/(to) Reserves - Hātea River Maintenance	(46,053)	(52,731)	(6,678)
Transfer from/(to) Reserves	(494,979)	(2,378,278)	(1,883,299)
TOTAL COMPREHENSIVE INCOME AFTER TRANSFERS FROM/(TO) RESERVES	120,849	27,149	(93,700)

forecast financial statements continued

Reconciliation of Total Comprehensive Income to Activity Cost and Funding Statements for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Targeted Council Service Rate	4,984,812	6,966,873	1,982,061
Targeted Land Management Rate	4,138,839	4,567,144	428,305
Regional Infrastructure Rate	598,787	593,602	(5,185)
Northland Regional Recreational Facilities Rate	1,147,910	1,218,065	70,155
Investment Income	4,737,638	4,072,267	(665,371)
Activity Revenue	10,904,520	11,032,824	128,304
Total Revenue plus Rates as per Activity Cost and Funding Statements	26,512,506	28,450,775	1,938,269
Add Forestry Revaluations	102,060	102,060	–
Less Internal Interest Income	595,444	1,026,061	(430,617)
TOTAL REVENUE as per Statement of Comprehensive Income	26,019,124	27,526,774	1,507,650
EXPENDITURE			
Personnel Costs	10,151,913	9,894,144	257,769
Depreciation and Amortisation	1,125,292	1,200,308	(75,016)
Internal Finance Costs	595,444	1,026,061	(430,617)
Finance Costs	1,057	1,000	57
Other Expenditure on Activities	14,125,034	14,025,895	99,139
Total Expenditure as per Activity Cost and Funding Statements	25,998,739	26,147,408	(148,669)
Less Internal Finance Costs	595,444	1,026,061	(430,617)
TOTAL EXPENDITURE as per Statement of Comprehensive Income	25,403,295	25,121,347	281,948
NET SURPLUS/(DEFICIT) FROM OPERATIONS AS PER STATEMENT OF COMPREHENSIVE INCOME	615,828	2,405,427	1,789,599
OTHER COMPREHENSIVE INCOME			
Gain/(Loss) on Property, Plant and Equipment Revaluation	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	615,828	2,405,427	1,789,599

Prospective Statement of Financial Position as at 30 June 2012

	Annual Report 2009-2010 \$	Movements 2010-2011 \$	Forecast 2010-2011 \$	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2010-2011 \$
EQUITY					
Accumulated Funds	115,388,662	(482,403)	114,906,259	109,902,677	114,933,408
Asset Revaluation Reserve	976,790	–	976,790	704,966	976,790
Special Reserves	3,478,499	361,083	3,839,582	7,304,494	6,217,860
TOTAL EQUITY	119,843,951	(121,320)	119,722,631	117,912,137	122,128,058
CURRENT ASSETS					
Cash and Cash Equivalents	4,310,520	(2,452,948)	1,857,572	663,352	784,011
Trade and Other Receivables	5,283,228	116,231	5,399,459	3,591,220	6,182,380
Inventories	1,445,049	28,900	1,473,949	200,746	1,473,949
Non-Current Assets Held for Sale	577,000	–	577,000	7,400,000	577,000
Other Investments (current portion)	1,872,927	(1,872,927)	–	–	–
Other Financial Assets	–	–	–	13,183,219	–
TOTAL CURRENT ASSETS	13,569,456	(4,261,476)	9,307,980	25,038,538	9,017,340
NON-CURRENT ASSETS					
Other Receivables	2,692,918	2,225,000	4,917,918	–	4,917,918
Investment Property	48,310,499	2,225,000	50,535,499	46,318,237	50,535,499
Investments in Subsidiaries and Associates	19,967,086	–	19,967,086	20,197,672	19,967,086
Other Investments	20,983,371	(1,377,073)	19,606,298	6,456,594	19,606,298
Property, Plant and Equipment	18,191,899	866,059	19,057,958	18,184,149	20,759,552
Intangible Assets	246,969	12,530	259,499	5,215,855	1,366,192
Biological Assets	1,120,240	435,296	1,555,536	1,560,065	1,657,596
Emission Unit Asset	–	133,191	133,191	–	133,191
Capital Projects in Progress	570,094	(570,094)	–	–	–
TOTAL NON-CURRENT ASSETS	112,083,076	3,949,909	116,032,985	97,932,571	118,943,332
TOTAL ASSETS	125,652,532	(311,567)	125,340,965	122,971,109	127,960,672
CURRENT LIABILITIES					
Trade and Other Payables	4,312,168	(235,132)	4,077,036	3,850,729	4,260,503
Employee Benefit Liabilities (Current)	1,373,493	41,205	1,414,698	1,097,114	1,445,512
TOTAL CURRENT LIABILITIES	5,685,661	(193,927)	5,491,734	4,947,843	5,706,015
NON-CURRENT LIABILITIES					
Employee Benefit Liabilities (Term)	122,913	3,687	126,600	111,129	126,600
TOTAL NON-CURRENT LIABILITIES	122,913	3,687	126,600	111,129	126,600
TOTAL LIABILITIES	5,808,574	(190,240)	5,618,334	5,058,972	5,832,615
TOTAL NET ASSETS	119,843,958	(121,327)	119,722,631	117,912,137	122,128,058

forecast financial statements continued

Prospective Statement of Changes in Equity for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$
Accumulated Funds at Beginning of the Year	109,200,266	114,906,259
Total Comprehensive Income for the Year	615,828	2,405,427
Movements in General Reserves for the Year	86,583	(2,378,278)
Accumulated Funds at the End of the Year	109,902,677	114,933,408
Asset Revaluation Reserve at Beginning of the Year	704,966	976,790
Revaluation Gains/(Losses) for the Year	–	–
Asset Revaluation Reserve at End of the Year	704,966	976,790
Special Reserves at the Beginning of the Year	7,391,077	3,839,582
Movements in Special Reserves for the Year	(86,583)	2,378,278
Special Reserves at the End of the Year	7,304,494	6,217,860
EQUITY AT THE END OF THE YEAR	117,912,137	122,128,058

Reconciliation of Reserve Movements for the period ending 30 June 2012

	2011-2012 Opening Balance \$	2011-2012 Movement \$	2011-2012 Closing Balance \$
Accumulated Funds	114,906,259	27,149	114,933,408
Asset Revaluation Reserve	976,790	–	976,790
Financial Assets at Fair Value through Equity	195,886	–	195,886
Land Management Reserve	1,348,982	100,000	1,448,982
Awanui River Reserve	(12,055)	–	(12,055)
Kaihū River Reserve	(8,684)	–	(8,684)
Kaeo River Reserve	82,111	81,456	163,567
Infrastructure Reserve	(603,908)	269,885	(334,023)
Recreational Facilities Reserve	(7,925,715)	548,751	(7,376,964)
Investment Fund Reserve	8,335,297	–	8,335,297
Northland Growth Fund	–	1,375,455	1,375,455
Forest Equalisation Reserve	2,322,748	(50,000)	2,272,748
Hātea River Maintenance Reserve	104,920	52,731	157,651
Total Special Reserves	3,839,582	2,378,278	6,217,860
TOTAL EQUITY	119,722,631	2,405,427	122,128,058

Reconciled to the transfers from/(to) Cash Reserves in the Funding Impact Statement

Total Movement in Equity as above	2,405,427
Less Cash Required for Capital Expenditure	(4,008,595)
Remove Non-Cash Income Items	
Other Gains	(102,060)
Internal Interest Income	(1,026,061)
Add Back Non-Cash Expenditure Items	
Depreciation Expense	1,200,308
Internal Interest Expense	1,026,061
Total Cash Funding from Reserves as per the Funding Impact Statement	504,920

Prospective Statement of Cashflows
for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	7,326,793	7,406,407
Receipts from Subsidies and Grants	1,232,703	1,370,884
Receipts from Dividends	1,367,712	1,328,574
Receipts from Interest	2,774,482	1,717,631
Receipts from Rates	13,134,632	14,818,296
Payments to Suppliers and Staff	(24,163,119)	(23,705,758)
Interest Payments	(1,057)	(1,000)
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,672,146	2,935,034
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt from Sale of Stocks and Bonds	-	-
Purchase of Property, Plant and Equipment	(1,546,731)	(4,008,595)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(1,546,731)	(4,008,595)
NET INCREASE/(DECREASE) IN CASH HELD	125,415	(1,073,561)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	537,937	1,857,572
CASH AND CASH EQUIVALENTS AT END OF YEAR	663,352	784,011

forecast financial statements continued

Prospective Statement of Costs and Funding by Groups of Activities for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
REVENUE			
Grants and Subsidies	1,232,703	1,370,884	(138,181)
User Charges	4,085,083	3,956,038	129,045
Targeted Rates	2,264,284	2,255,533	8,751
Other Revenue	3,322,450	3,450,369	(127,919)
TOTAL ACTIVITY REVENUE	10,904,520	11,032,824	(128,304)
EXPENDITURE			
Democracy and Corporate Services	1,609,953	1,921,886	311,933
Regional Information and Engagement	1,652,721	1,831,030	178,309
Regional Economic Development	2,782,665	2,504,358	(278,307)
Resource Management Planning	1,273,783	1,517,403	243,620
Transport	2,781,946	2,818,348	36,402
Consents	2,393,153	2,093,988	(299,165)
Environmental Monitoring	5,345,608	5,222,510	(123,098)
Land and Rivers	3,923,563	4,288,462	364,899
Biosecurity	2,464,354	2,203,081	(261,273)
Emergency Management	225,720	243,228	17,508
Maritime Operations	1,545,273	1,503,114	(42,159)
Support Services	5,255,034	4,893,279	(361,755)
Less Support Costs internally recovered	(5,255,034)	(4,893,279)	361,755
TOTAL ACTIVITY EXPENDITURE	25,998,739	26,147,408	148,669
Less Non-Cash Items	1,125,292	2,226,369	1,101,077
NET CASH COST/(SURPLUS) OF ACTIVITY	13,968,926	12,888,215	(1,080,711)
<i>Funded by:</i>			
Targeted Council Service Rate	4,828,388	6,802,554	(1,974,166)
Targeted Land Management Rate	4,102,403	4,536,268	(433,865)
Regional Infrastructure rate	598,787	593,602	5,185
Northland Regional Recreational Facilities Rate	1,147,910	1,218,065	(70,155)
Investment Income	4,737,638	1,670,750	3,066,888
Transfer from/(to) Cash Reserves	(1,446,200)	(1,933,024)	486,824
TOTAL ACTIVITY FUNDING	13,968,926	12,888,215	1,080,711

continued opposite

**Prospective Statement of Costs and Funding
by Groups of Activities** continued
for the period ending 30 June 2012

	LTCCP Forecast 2011-2012 \$	Annual Plan Forecast 2011-2012 \$	Variance \$
CAPITAL EXPENDITURE			
Regional Information and Engagement	–	10,500	10,500
Transport	–	90,000	90,000
Environmental Monitoring	185,461	130,533	(54,928)
Land and Rivers	42,270	596,685	554,415
Biosecurity	5,284	1,500	(3,784)
Maritime Operations	124,502	182,995	58,493
Support Services	1,189,214	2,996,382	1,807,168
TOTAL CAPITAL EXPENDITURE	1,546,732	4,008,595	2,461,863
<i>Funded by:</i>			
Targeted Council Service Rate	156,424	164,319	(7,895)
Targeted Land Management Rate	36,436	30,876	5,560
Transfer from Cash Reserves	1,353,871	3,813,399	(2,459,528)
TOTAL CAPITAL FUNDING	1,546,731	4,008,595	(2,461,864)

forecast financial statements continued

Prospective Statement of Capital Expenditure for the period ending 30 June 2012

	Year 3 LTCCP Forecast 2011-2012 \$	New Annual Plan Forecast 2011-2012 \$	Carried Forward from Annual Plan * 2010-2011 \$	Annual Plan 2011-2012 \$
Democracy and Corporate Services				
Buildings and Property	–	–	–	–
Regional Information and Engagement				
Plant and Equipment	–	10,500	–	10,500
Transport				
Plant and Equipment	–	–	90,000	90,000
Environmental Monitoring				
Plant and Equipment	185,461	107,083	23,450	130,533
Land and Rivers				
Plant and Equipment	42,270	596,685	–	596,685
Maritime				
Plant and Equipment	124,502	182,995	–	182,995
Biosecurity				
Plant and Equipment	5,283	1,500	–	1,500
Support Services				
Information Systems	819,348	684,621	1,961,761	2,646,382
Plant and Equipment	52,837	100,000	–	100,000
Vehicles	317,028	250,000	–	250,000
Total Support Services	1,189,213	1,034,621	1,961,761	2,996,382
TOTAL NORTHLAND REGIONAL COUNCIL	1,546,731	1,993,384	2,075,211	4,008,595

The Council funds its capital expenditure consistent with the Revenue and Financing Policy. Sources of financing include, funding from rates for the purposes of recovering depreciation, funding from accumulated cash surpluses arising from recovery of depreciation, borrowing, targeted rates and general funds. Targeted rates and borrowing will be applied to the funding of capital works relating to the river management schemes. There is no other proposed borrowing to fund capital expenditure for the 2011-2012 financial year.

* Anticipated as at May 2011.

amendments to the navigation, water transport and maritime safety bylaw charges 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 2010**, adopted in June 2010, 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.

The above processes were followed and the amended bylaw adopted to take effect on 1 July 2011.

Reasons for the proposal

Section 2: amending the definitions of 'maritime facility' and 'mooring'.

Section 3(1): amending the fee category to cover every mooring, jetty, jetty berth, boatshed, boat ramp, minor structure, group of piles with 74 berths or less owned by one organisation. This was previously set at 24 berths or less and has been amended as there are no groups of piles with less than 24 berths owned by the same organisation.

Section 3(1) – (11): Navigation Safety Bylaw fees have increased between 10-20%. In most cases this means these fees will increase by about \$10. This is to more accurately reflect the time required to proactively manage problems and issues associated with moorings and due to the costs relating to the providing, improving and maintaining of navigation aids.

Removal of fees set out in clause 3(12)(a) – (0) of the 2010 bylaw. The fees have been removed as these functions are not undertaken by council.

Section 7(a): to encourage more superyachts to visit the Bay of Islands, the fee tier structure for pilotage fees inwards/outwards to wharf, Ōpua and to anchor in the Bay of Islands is amended to increase the number of smaller ships that will fall in the lower fee category. The minimum fee now applies to ships greater than 500 up to GRT 3000, whereas previously this was up to GRT1000.

Section 9: this section was amended to remove process covered in Navigation Safety Bylaw 2007.

This bylaw amendment is made pursuant to the bylaw provisions of the Local Government Act for setting fees and charges as mandated by Section 684B(h)(i)-(iii) of the Local Government Act 1974 (Part 39A Navigation), saved in Schedule 18 of the Local Government Act 2002. It is the most cost effective way of recovering the costs arising from the regulation of recreational maritime activities and commercial shipping as appropriate.

The Bylaw is as follows:

Navigation, Water Transport and Maritime Safety Bylaw Charges 2011

These bylaws shall be known as the Northland Regional Council **Navigation, Water Transport and Maritime Safety Bylaw Charges 2011**:

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, whether private, commercial or a recreational public facility, that is located within the coastal marine area of the Northland.
 - "**Mooring**" means any swing or pile mooring whether private, commercial or recreational mooring that is located within the coastal marine area of the Northland.
 - "**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.

navigation, water transport and maritime safety bylaw charges 2010 continued

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 or mooring in the region shall pay to the Council an annual navigation fee fixed herein.

- (a) The navigation safety bylaw 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.

	GST Exclusive
(b) (1) For every mooring, jetty, jetty berth, boatshed, boat ramp, minor structure, and any group of piles with 74 berths or less owned by one organisation.	\$60.00
(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 Hātea river, per berth.	\$60.00
(3) (a) For every berth in a marina containing more than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$60.00 per berth.	\$50.00
(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 \$60.00 per berth.	\$56.00
(4) Boatsheds, per additional berth.	\$60.00
(5) Community and boating club structures, jetties and private accommodation in the coastal marine area.	\$60.00
(6) Marine farms.	\$60.00
(7) High use structures and jetties, marine-related, not more than 300 m ² in plan area within the coastal marine area.	\$330.00
(8) High use commercial slipways with a maximum capacity of less than 50 tonnes.	\$330.00
(9) High use structures and jetties, marine-related and more than 300m ² but less than 1,000m ² in plan area within the coastal marine area.	\$1,430.00
(10) High use structures and jetties, marine-related and more than 1,000m ² in plan area within the coastal marine area.	\$2,530.00
(11) High use commercial slipways with a maximum capacity of more than 50 tonnes.	\$2,530.00
(12) Pursuant to the provisions of Navigation Safety Bylaw clause 3(1)(6), should any mooring licence fees or other charges due to the Council under the provision of this bylaw remain unpaid for a period of 60 days, then the Harbourmaster may remove, or clause to be removed, the mooring and detain the vessel using the mooring, until such fees and charges, including the cost of removing the mooring and storing the vessel, have been fully paid and discharged. Should such debts have not been paid and discharged within a further 60 days, the Council has the right to sell the mooring and/or vessel to recover the debt.	

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 procedures 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 Council which undertakes this function on behalf of the Northland Regional Council under delegated authority.

	GST Exclusive
7. (a) Pilotage	
(i) Inwards/outwards to wharf, Ōpua – per visit	
Where GRT is greater than 500 but less than 3000	\$1,500.00
Where GRT is greater than 3000 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 3000	\$1,500.00
Where GRT is greater than 3000 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
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. Harbourmaster's Navigation Safety Services Fee	
(a) North Port Ltd.	\$110,000.00
(b) For water transport operators not serviced by a port company, at actual time and cost.	
(c) 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. Applications for Reserved Area for Special Event (clause 3.10 of the Navigation Safety Bylaw 2007)	
(a) 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 2011 to 30 June 2012 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.	

charging policy summary

The Charging Policy is reviewed on an annual basis. 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 fee amendments, set out below, come into effect on 1 July 2011 and will continue until superseded.

The full Charging Policy is available in the 2009-2019 Community Plan. 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 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.

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 under its building consents, enforcement and safety provisions in regard to dams, 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
 - 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 administration 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 sets out the funding and recovery targets for each Council Activity. The funding targets and criteria set out in the Revenue and Financing Policy have been considered by Council in setting fees and charges as set out in 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 (as provided for by 150(6) of the Local Government Act 2002).

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.

charging policy summary continued

- **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 (excluding GST), 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 \$80.00 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.

Amended Fees and Charges

The review of the 2010-2011 Charging Policy has resulted in changes to the following areas:

All Sections: Increase in hourly staff charges across all areas.

Section 2: Minimum fee for recoverable charges, 2.8(v).

Section 3: Application fees and Appendix One: Resource Consent Applications, Fixed Initial Deposits and Consents Staff Hourly Processing Rates.

Section 4.2.4: Large Scale Activities.

Section 4.5: Permitted Activity Dairy Shed Effluent Systems - Fees.

Section 4.6: Permitted Activity Monitoring/Inspections - Fees.

Section 4.7: Fees for Emergency works and Environmental Incidents.

Section 5.2: Regional Pest Management Strategy (RPMS) for Nassella Tussock.

Section 6.1: Fees for Maritime Related Incidents – (new wording to ensure Council is able to recover Maritime Incidents that are not environmental). Environmental Incidents covered under section 4.7).

Section 11: Navigation, Water Transport and Maritime Safety Bylaw Charges 2009.

Appendices: All Fee Appendices (Appendix 1 to Appendix 16).

Amended Fees and Charges

Each Section of the 2010-2011 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 amendment.

The Council increased its hourly staff charge-out rates by approximately four percent. Administration charges increased to \$64 per hour (excluding GST). The hourly rates for more senior staff fall in the \$75-\$110 range (excluding GST) and managers are \$150 per hour (excluding GST).

All fee appendices (1-16) were amended with increases of around 4% in most areas. Navigation Safety Bylaw fees Section 11(3) have increased between 10-20% (in most cases from \$50 to \$60) due to the increased time required to proactively manage moorings and the costs associated with the provision of aids to navigation.

1. Introduction

2. General Policies and Principles

The Council has reviewed the following section within General Policies for Charges.

2.8(v) A minimum fee of \$80.00 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.

The fee minimum has increased \$5.00.

3. Application Fees

Section 3.3: Fixed initial deposits for resource consent applications have increased as a result of applying the generally agreed Council methodology of setting the application fee at a level of the lower 20 percentile of consent processing fees.

4. Resource Consent Holder Charges and Other Resource User Charges

The Council has reviewed the following sections within Resource Consent Holder Charges and Other Resource User Charges:

4.2.4 Large Scale Activities

Consents that do not fall into the classes listed in Section 4.2.3 will be for larger scale activities or activities with high potential adverse effects (estimated compliance monitoring costs of \$1,000 and over per year inclusive of GST). In most cases these consents will generally be subject to comprehensive monitoring programmes, regular inspections and involve routine sampling and testing or audit monitoring functions or contribute towards the costs of the Councils State of the Environment Monitoring as is the case for many of the larger water take consents. Large scale activities may require more monitoring inspections. As the sampling and testing requirements for these consents will vary, so too will the costs incurred by the Council to carry out those monitoring programmes.

charging policy summary continued

Annual charging for the monitoring of these consents is calculated using the following formulae and/or the actual and reasonable historical costs:

**Labour (staff time) + Sampling and Testing Costs + Monitoring Equipment Costs + Administration Fee
+ SOE Monitoring Charge/Resource User Charge = Annual Charge**

Labour (standard charge rates includes mileage)	GST Exclusive per hour
Monitoring Technician/Administrator	\$64.00
Monitoring Officer Scale 1	\$75.00
Monitoring Officer Scale 2	\$85.00
Monitoring Officer Scale 3	\$95.00
Senior Monitoring Officer Scale 1	\$100.00
Senior Monitoring Officer Scale 2	\$110.00
Manager	\$150.00

Where there is a need for two or more officers to attend, the costs of all officers will be recovered.

Section 4.2.4: Hourly labour charges have increased. The increases are largely due to the alignment of charging scales across activities. Previously the labour rates for consents staff differed to other activity areas.

The statement advising of the recovery of costs if two or more officers are required to attend is included to provide consistency with practice and advice included in other areas of the Charging Policy.

4.5 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 36 of the Resource Management Act. The fees are set according to Section 150 of the Local Government Act.

The charges are as follows:	GST Exclusive
(i) Inspection and monitoring fee:	
Grades 1P, 2P, 3P (fixed fee)	\$160.00
Grades 4P, 5X, C (fixed fee)	\$240.00
(ii) Second and subsequent visits and inspections including travel time, (for non-complying or inadequately treated discharges, grades 4P, 5X and C)	\$80.00 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 4.5: This charge is moved from section 6.2 in the 2010-2011 Charging Policy. Charges have been amended to reflect the cost associated with carrying out this activity.

4.6 Permitted Activity Monitoring/Inspections – Fees

These charges are made to recover the costs of inspections of permitted activities to determine compliance with the permitted activity rules in the Regional Plans. The inspections are conducted in order that the Council adequately carries out its functions and responsibilities pursuant to Sections 30, 35 and 36 of the Resource Management Act. The fees are charged pursuant to Section 150(1) of the Local Government Act on a cost recoverable basis (officer time, sampling and equipment costs).

The charges are as follows:	GST Exclusive per hour
Monitoring Technician/Administrator	\$64.00
Monitoring Officer Scale 1	\$75.00
Monitoring Officer Scale 2	\$85.00
Monitoring Officer Scale 3	\$95.00
Senior Monitoring Officer Scale 1	\$100.00
Senior Monitoring Officer Scale 2	\$110.00
Manager	\$150.00

plus the actual and reasonable cost of any specific water quality testing and equipment required (see Appendix 16).

Section 4.6: Hourly labour charges have increased.

4.7 Fees for Emergency works and Environmental Incidents

Under Sections 330(2) and 331 of the Resource Management Act, the Council may charge for the costs associated with any works required for the:

- (a) Prevention or mitigation of adverse environmental effects; or
- (b) Remediation of adverse effects on the environment.

The costs charged will be the actual and reasonable costs incurred by Council to do the works.

Section 4.7: This charge is moved from section 6.1 in the 2010-2011 Charging Policy. The wording has been amended to better reflect the legislative provisions which allow for cost recovery for this activity.

5. Biosecurity Act 1993 Charges

The Council has reviewed the following sections within Biosecurity Act 1993 Charges

5.2 Regional Pest Management Strategy (RPMS) for Nassella Tussock

The charges levied are as follows:

	GST Exclusive per hour
Biosecurity Technician/Administrator	\$64.00
Biosecurity Officer Scale 1	\$75.00
Biosecurity Officer Scale 2	\$85.00
Biosecurity Officer Scale 3	\$95.00
Senior Biosecurity Officer Scale 1	\$100.00
Senior Biosecurity Officer Scale 2	\$110.00
Manager	\$150.00

Section 5.2: Hourly labour charges have increased.

6. Local Government Act Charges

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

6.1 Fees for Maritime Related Incidents

These charges are made to recover the costs incurred by the Council as a result of staff responding to any incident that causes or may have the potential to cause, adverse environmental effects or effects on navigation and safety. The response action taken by Council staff may include, but will not be limited to, the monitoring, inspection, investigation, clean-up, removal, mitigation and remediation works. Actual costs for consumables, plant and equipment used/hired during a response will also be charged in addition to staff hours as appropriate.

	GST Exclusive per hour
Technician/Administrator	\$64.00
Officer Scale 1	\$75.00
Officer Scale 2	\$85.00
Officer Scale 3	\$95.00
Senior Officer Scale 1	\$100.00
Senior Officer Scale 2	\$110.00
Manager	\$150.00

For incidents occurring outside normal business hours, a minimum call out fee of two hours at the above rates shall apply.

Section 6.1: This section was amended to ensure Council is legally able to recover the costs of Maritime Incidents that are not deemed to be environmental. Environmental incidents are recoverable under the Resource Management Act 2002, whereas Maritime Incidents are not.

Environmental Incidents are covered in section 4.7.

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

charging policy summary continued

11. Navigation, Water Transport and Maritime Safety Bylaw Charges 2011

These bylaws shall be known as the Northland Regional Council Navigation, Water Transport and Maritime Safety Bylaw Charges 2011:

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

11(2) In these bylaws, unless the context otherwise requires:

“**Maritime facility**” means any jetty, jetty berth, wharf, ramp, slipway, boatshed, marina berth, pontoon or, whether private, commercial or a recreational public facility, that is located within the coastal marine area of the Northland.

“**Mooring**” means any swing or pile mooring whether private, commercial or recreational mooring that is located within the coastal marine area of the Northland.

“**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.

Section 11(2): The definitions of “maritime facility” and “mooring” have been expanded to better reflect reality.

11(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 or mooring in the region shall pay to the Council an annual navigation fee fixed herein.

- (a) The navigation safety bylaw 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.

	GST Exclusive
(b) (1) For every mooring, jetty, jetty berth, boatshed, boat ramp, minor structure, and any group of piles with 74 berths or less owned by one organisation.	\$60.00
(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 Hātea river, per berth.	\$60.00
(3) (a) For every berth in a marina containing more than 75 berths, provided that if the fee is not paid within 60 days of invoice, the fee shall revert to \$60.00 per berth.	\$50.00
(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 \$60.00 per berth.	\$56.00
(4) Boatsheds, per additional berth.	\$60.00
(5) Community and boating club structures, jetties and private accommodation in the coastal marine area.	\$60.00
(6) Marine farms.	\$60.00
(7) High use structures and jetties, marine-related, not more than 300m ² in plan area within the coastal marine area.	\$330.00
(8) High use commercial slipways with a maximum capacity of less than 50 tonnes.	\$330.00
(9) High use structures and jetties, marine-related and more than 300m ² but less than 1,000m ² in plan area within the coastal marine area.	\$1,430.00
(10) High use structures and jetties, marine-related and more than 1,000m ² in plan area within the coastal marine area.	\$2,530.00
(11) High use commercial slipways with a maximum capacity of more than 50 tonnes.	\$2,530.00
(12) Pursuant to the provisions of Navigation Safety Bylaw clause 3(1)(6), should any mooring licence fees or other charges due to the Council under the provision of this bylaw remain unpaid for a period of 60 days, then the Harbourmaster may remove, or clause to be removed, the mooring and detain the vessel using the mooring, until such fees and charges, including the cost of removing the mooring and storing the vessel, have been fully paid and discharged. Should such debts have not been paid and discharged within a further 60 days, the Council has the right to sell the mooring and/or vessel to recover the debt.	

Section 11(3): The charges have been amended to better recover costs. Section 11(3)(1): Amended to 74 berths or less (previously 24) as there are no groups of piles with less than 24, owned by the same organisation.

Section 11(3)(12): Charges have been removed as these functions are not carried out by Council.

11(7) (a) Pilotage	GST Exclusive
(i) Inwards/outwards to wharf, Ōpua – per visit	
Where GRT is greater than 500 but less than 3000	\$1,500.00
Where GRT is greater than 3000 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 3000	\$1,500.00
Where GRT is greater than 3000 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
<i>Section 11(7)(a): The fee tier structure for Pilotage fees inwards/outwards to Wharf, Ōpua and to anchor in the Bay of Islands is to be amended to increase the number of smaller ships that will fall in the lower fee category. The minimum fee now applies to ships greater than 500 up to GRT 3000, whereas previously this was up to GRT 1000. The change is intended to encourage more superyachts to visit the Bay of Islands.</i>	
11(8) Harbourmaster's Navigation Safety Services Fee	
(a) North Port Ltd	\$110,000.00
(b) For water transport operators not serviced by a port company, at actual time and cost.	
(c) 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.	
<i>Section 11(8): Charges have been amended so this section is now specific to the charge levied on North Port Ltd by NRC for Harbourmaster services.</i>	
11(9) Applications for Reserved Area for Special Event (clause 3.10 of the Navigation Safety bylaw 2007)	
(a) 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.	
<i>Section 11(9): Amended to remove process covered in Navigation Safety Bylaw 2007.</i>	
12. These bylaw fees shall apply for the period 1 July 2011 to 30 June 2012 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.	

charging policy summary continued

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

Schedule of Fixed Initial Deposits

Description	Fixed Initial Deposit	
	\$ GST Excl.	\$ GST Incl
Notified and Limited Notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits	2,496.09	2,870.50
• Moorings	1,247.83	1,435.00
New Non-notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents (excluding Bore Drilling Permits), Water Permits, and Discharge Permits (excluding Farm Dairy Effluent)	665.65	765.50
• Moorings	457.39	526.00
• Farm Dairy Effluent Discharge Permits	416.09	478.50
• Bore Drilling Permits	231.30	266.00
plus per additional bore	27.83	32.00
• Existing Moorings within High Priority Marine 4 Mooring management Areas. Application fee (minimum charge)	103.91	119.50
• Fixed Fee for Discharge Permit for burning of specified materials, including vegetation, by way of open burning or incineration device (e.g. backyard burning) (see Note 8)	50.00	57.50
Replacement Non-notified Applications		
• Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits (excluding Farm Dairy Effluent)	582.61	670.00
• Moorings (includes moorings that have previously had a licence and are seeking to be authorised under the RMA)	374.35	430.50
• Farm Dairy Effluent Discharge Permits	416.09	478.50
Certificate of Compliance	374.35	430.50
Transfer of Consents from the Consent Holder to Another Person (payable by the person requesting the transfer)	46.09	53.00
Transfer existing Water Permit between sites within catchment		
• Notified (including limited notification)	582.61	670.00
• Non-notified	231.30	266.00
S127 Change or Cancellation of Consent Conditions		
• Notified (including limited notification)	873.48	1,004.50
• Non-notified	374.35	430.50
• Minor Administrative Change	83.04	95.50

Appendix 1: continued

Description	Application Fee (minimum charge)	
	\$ GST Excl.	\$ GST Incl.
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)	873.48	1,004.50
• Non-Notified	374.35	430.50
Extension of Period until a Consent Lapses	231.30	266.00
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. * 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).	(Per RA)	
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: • 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: (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 and 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.	\$ GST Incl.
• Secretarial/Admin	64.00	73.60
• Consents Officer Scale 1	75.00	86.25
• Consents Officer Scale 2	85.00	97.75
• Consents Officer Scale 3	95.00	109.25
• Programme Manager Scale 1	100.00	115.00
• Programme Manager Scale 2	110.00	126.50
• Consents Manager	150.00	172.50
• Consultants	Actual Costs	

charging policy summary continued

Appendix 1: continued

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 (e.g. 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.

Note 8: This 'fixed fee' only applies where such an application is able to be processed on a non-notified basis and no additional charges will be invoiced for such applications even if the costs exceed the fixed fee. However, in the event that the application is required to be limited notified or publicly notified then the Council will require the applicable Fixed Initial Deposit for Notified & Limited Notified Applications (as outlined in the box above) before notification of the application.

Appendix 2: Standard Charges under the Building Act 2004

Charges fixed under the Building Act 2004 are resolved by the Council and fixed pursuant to the Local Government Act 2002 process until subsequently amended.

1. Project and Land Information Memoranda (PIM/LIM)

Estimated Value of Work	Minimum Estimated Charge (MEC) \$ GST Excl.	Minimum Estimated Charge (MEC) \$ GST Incl.
All Applications	1,000.00	1,150.00

Notes: 1. MEC is payable upon application for a PIM/LIM.

2. Final actual and reasonable costs are payable upon uplifting the PIM/LIM based on Standard Labour Charges in Section 4 of this appendix.

2. Building Consents and Certificates of Approval

Incorporating receipt of a building consent application, the issue of a building consent, including project information memorandum, payment of a Building Research Levy and/or Department of Building and Housing Levy (where applicable) and the issue of a code compliance certificate (where applicable).

Under section 244 of the Building Act 2004, Council has decided to transfer the Building Act functions for consenting dams to the Waikato Regional Council (WRC). Fees will be charged in accordance with the Fees and Charges policy set by WRC. All fees and charges for consent processing will be invoiced directly to the applicant by WRC.

3. Requests for Information on Building Consents

Charges will be the actual and reasonable costs based on standard labour charge rates shown in Section 4 of this appendix.

4. Technical Processing and the exercising of other functions, powers and duties under the Building Act 2004

For technical processing and other functions under the Building Act full costs over and above the deposit will be recovered in accordance with the additional hourly charges.

Function	Deposit GST Incl.	Hourly charge for exercise of functions or to recover additional costs
Action to be taken in respect of buildings deemed to be dangerous or insanitary.		Standard labour charge rates (overleaf).
Issue of a Notice to Fix.		Minimum charge of \$95.00 and further charges for inspections and other action to confirm compliance based on standard labour charge rates (overleaf).
Lodge Building Warrant of Fitness.	\$100	Standard labour charge rates (overleaf).
Amendment to Compliance Schedule.	\$1000	Standard labour charge rates (overleaf). Actual and reasonable for expert advice.
Building Warrant of Fitness Audit.		Standard labour charge rates (overleaf).
Certificate of Acceptance	Large Dam (above \$100,000 value) \$4,000 Medium Dam (\$20,000 to \$100,000 value) \$2,000 Small Dam (\$0 to \$20,000 value) \$500	Standard labour charge rates (overleaf). Actual and reasonable for expert advice.
Lodge Dam Potential Impact Category.	\$100	Standard labour charge rates (overleaf).
Lodge Dam Safety Assurance Programme.	\$100	Standard labour charge rates (overleaf).
Lodge Annual Dam Safety Compliance Certificate	\$100	Standard labour charge rates (overleaf).
Other Functions.		Standard labour charge rates (overleaf).

charging policy summary continued

Appendix 2: continued

Standard Labour Charge Rates

	GST Excl. per Hour
• Technician/Administrator	\$64.00
• Officer Scale 1	\$75.00
• Officer Scale 2	\$85.00
• Officer Scale 3	\$95.00
• Senior Officer	\$110.00
• Manager	\$150.00

Note: All charges are payable upon invoice, provision of service or upon the exercise of the function, power or duty.
Progressive charging may be used where costs are greater than \$500 (excluding GST).

When building consent non-compliance or an unauthorised activity is found, the person is, if possible, given the opportunity to remedy the situation and is informed that costs of additional supervision will be recovered. Such activity may also be subject to, infringement offence notices, enforcement orders or prosecutions.

An enforcement officer who observes a person committing an infringement offence or has reasonable cause to believe that an infringement offence is being or has been committed is authorised and warranted under section 229 of the Building Act 2004 to issue an infringement notice.

Appendix 3: Water Takes Fee Scales

Scale of Annual Charges for Water Takes

Note: Appendix 15 identifies water take consents that have fees set outside these scales.

Fee Level	Description/Criteria	Admin Charge \$ GST Incl.	Compliance Monitoring/ Supervision \$ GST Incl.	Resource User Charge \$ GST Incl.	Total Annual Charge \$ GST Incl.
8	1. Negligible Potential Effect: minor abstraction from water resource low level of allocation and limited future potential demand; no water use returns; Limited benefit from existing SoE monitoring. (Minimum Fee)	92.00	–	23.00	115.00
10	2. Minor Potential Effect: Minor abstraction from water resource with low to moderate level of allocation; Moderate abstraction from water resource with low level of allocation; water use returns; Small benefit from existing SoE monitoring and limited monitoring in the catchment.	92.00	24.00	69.00	185.00
12	3. Moderate Potential Effect: Minor abstraction from water resource with moderate to high level of allocation; Moderate abstraction from a water resource with moderate levels of allocation; Major abstraction from water resource with low level of allocation; water use returns, resource monitoring by Consent Holder; Moderate benefits from existing SoE monitoring, data likely to be used for flow allocation management purposes and/or replacement of consent.	92.00	55.00	138.00	285.00
15	4. Medium Potential Effect: Moderate abstraction from water resource with high level of allocation; Major abstraction from resource with moderate level of allocation; water use returns, resource monitoring by Consent Holder; continuation flow conditions; Existing SoE monitoring has greater benefits to Consent Holder for management, security of supply and/or replacement of consent; Total estimated staff time relating to monitoring, supervision and reporting of compliance 1-2 hours.	92.00	123.00	230.00	445.00
19	5. Medium Potential Effect - Moderate inspection time: Same criteria as Category 4. However total estimated staff time relating to monitoring, supervision and reporting of compliance 2-3 hours.	92.00	189.50	230.00	511.50
22	6. Medium Potential Effect - Significant inspection time: Same criteria as Category 4 but total estimated staff time relating to monitoring, supervision and reporting of compliance 3-4 hours.	92.00	257.50	230.00	579.50
24	7. Medium to High Potential Effect - Significant inspection time: Moderate to major abstraction from resource with high level of allocation. Significant total estimated staff time for inspection and/flow monitoring and consent compliance > 4 hours; Existing SoE monitoring has considerable benefits to Consent Holder for management, security of supply and/or replacement of consent.	92.00	310.50	402.50	805.00
25	8. High Potential Effect - Significant inspection time: Major abstraction from resource with high level of allocation. Significant total estimated staff time for inspection and/flow monitoring and consent compliance >4 hours; Existing SoE monitoring has direct benefits to Consent Holder for management, security of supply, replacement of consent, and specific compliance monitoring of consent.	92.00	379.50	805.00	1,276.50

charging policy summary continued

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

Scale of Annual Charges for Consents for Minor to Moderate Discharges to Air, Water, and Land (no or Minor Sampling and/or Testing Planned) and Consents for Land Use Activities including Quarries

The fee levels provided below allow for the appropriate recovery of costs by the Council based on the degree of work required by the Council in monitoring each consent. The appropriate fee level will be determined using the formula outlined in Section 4.2.4 with the estimated cost then rounded to the appropriate fee level.

Fee Level	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.	Fee Code Narration
1	0.00	0.00	Invoiced manually.
2	0.00	0.00	Waived or Remitted Annual Charges
3	0.00	0.00	Charged under another consent.
4	0.00	0.00	Post billed (non-scale).
5	0.00	0.00	Special arrangement.
6	0.00	0.00	Domestic Sewage Discharges (post billing).
7	80.00	92.00	Minimum loaded with additional fees post monitoring.
8	80.00	92.00	Annual Monitoring Charge (and for all the following fees).
9	86.09	99.00	
10	96.96	111.50	
11	113.91	131.00	
12	126.09	145.00	
13	143.04	164.50	
14	172.17	198.00	
15	183.04	210.50	
16	200.00	230.00	
17	216.96	249.50	
18	229.13	263.50	
19	240.00	276.00	
20	256.09	295.50	
21	286.09	329.00	
22	296.96	341.50	
23	315.22	362.50	
24	372.17	428.00	
25	343.04	394.50	
26	400.00	460.00	
27	429.13	493.50	
28	457.83	526.50	
29	486.09	559.00	
30	515.22	592.50	
31	543.04	624.50	
32	572.17	658.00	

Appendix 4: continued

Fee Level	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.	Fee Code Narration
33	600.87	691.00	
34	629.13	723.50	
35	657.83	756.50	
36	686.09	789.00	Annual Monitoring Charge (and for all the following fees)
37	714.78	822.00	
38	743.91	855.50	
39	772.17	888.00	
40	800.87	921.00	
41	829.13	953.50	
42	857.83	986.50	
43	886.96	1,020.00	
44	915.22	1,052.50	
45	943.91	1,085.50	
46	972.17	1,118.00	
47	1,000.87	1,151.00	
48	1,030.00	1,184.50	
49	1,057.83	1,216.50	
50	1,086.96	1,250.00	
51	1,115.22	1,282.50	

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)	235.22	270.50
4	Per inspection – (single sample only)	280.00	322.00
4	Per inspection – (two samples)	324.78	373.50
4	Per inspection – (three samples)	370.00	425.50
4	Per inspection – (four samples)	414.78	477.00
4	Per inspection – (five samples)	460.00	529.00
4	Per inspection – (six samples)	505.22	581.00

The charge for follow-up inspections for non-complying discharges will be at \$80.00 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.

charging policy summary continued

Appendix 6: Coastal Structures (Post Construction or Installation)

Scale of Annual Charges for Coastal Structures

Fee Level	Description/Criteria	RMA Admin Fee or Mooring Licence Fee \$ GST Incl.	Navigation and Safety Bylaw Fee \$ GST Incl.	Total Fee \$ GST Incl.
101	Individual swing, pile and jetty moorings with or without resource consents.	92.00	69.00	161.00
101	Swing and pile moorings owned by one person or organisation, comprising 10 to 24 moorings (per mooring). Note: No additional charge will be set for those structures which are an integral part of the mooring area, so long as those facilities and activities do not give rise to any significant adverse environmental effects.	80.50	69.00	149.50
3 or 4	Pile moorings and jetty berths owned by one organisation, comprising 25 berths or more, but no more than 75 berths (per berth). Note: No additional charge will be set for those structures which are an integral part of the mooring area, so long as those facilities and activities do not give rise to any significant adverse environmental effects.	51.50	69.00	120.50
1	Marinas comprising more than 75 berths. Navigation fee reverts to \$60.00 if fees are not paid within 60 days (per berth).	–	57.50	57.50
2	Dinghy pulls.	92.00	–	92.00
8	Seawalls and reclamations.	92.00	–	92.00
100	Boat ramps up to 15m x 4.5m.	92.00	69.00	161.00
102	Boat ramps/slipways over 15m and grids.	160.00	69.00	229.00
103	Boatsheds.	270.50	69.00	339.50
104	Boatsheds with Additional Berth.	309.50	69.00	378.50
9	Cables and Pipes.	100.50	–	100.50
13	Private accommodation in the coastal marine area.	164.50	–	164.50
100	Minor structures and jetties not more than 10m ² in plan area within the coastal marine area (no more than minor environmental effects).	92.00	57.50	149.50
102	Minor structure and jetties: more than 10m ² and up to 300m ² in plan area.	157.50	69.00	226.50
102	Community and boating club structures and jetties, and non-commercial public structures.	157.50	69.00	226.50
105	Marine farms and offsite farms.	341.50	69.00	410.50
18	High use structures and jetties not marine related.	263.50	–	263.50
106	(a) High use structures and jetties, marine-related and not more than 300m ² in plan area within the coastal marine area, and (b) Slipways with a maximum capacity of not more than 50 tonnes	263.50	379.50	643.00

Appendix 6: continued

Fee Level	Description/Criteria	RMA Admin Fee or Mooring Licence Fee \$ GST Incl.	Navigation and Safety Bylaw Fee \$ GST Incl.	Total Fee \$ GST Incl.
115	High use structures and jetties, marine-related, more than 300m ² but not more than 1,000 m ² in plan area within the coastal marine area.	263.50	1,644.50	1,908.00
125	(a) High use structures and jetties, marine-related and not more than 1,000m ² in plan area within the coastal marine area; and (b) Slipways with a maximum capacity of more than 50 tonnes.	263.50	2,909.50	3,173.00

Note: All structures that are subject to a discharge permit may be subject to an additional charge that recovers the costs incurred by the Council for monitoring the discharge. Where the costs of monitoring the structure and discharge exceed the annual charge herein, the Council will recover the balance in accordance with Section 36(3) of the Resource Management Act 1991.

Consent Holders of multiple structures authorised under a single resource consent for contiguous facilities, will be charged one annual fee for the most significant structure authorised by that consent.

Appendix 7: Coastal Structures (Construction or Installation Phase)

Monitoring Inspection Charges for Consents for Coastal Structures during their Construction or Installation Phase

Inspection Charge GST Excl.
per Hour

All coastal structures (per officer, plus costs of sampling/testing)

Monitoring Officer Scale 1 \$75.00

Monitoring Officer Scale 2 \$85.00

Note: Refer to Section 4.2.3 for basis of charges.

Appendix 8: Land Use Consents for Boating-related Structures in Waters Upstream of the Coastal Marine Area (Post Construction)

Scale of Annual Charges for Land Use Consents for Boating-Related Structures in Waters Upstream of the CMA with minor environmental effects (amended to match fees for similar structures in the coastal marine area, Appendix 6)

Fee Level	Description/Criteria	RMA \$ GST Excl.	Total Fee \$ GST Incl.
100	Minor structures and jetties: Not more than 10m ² in plan area.	130.00	149.50
102	Jetties and other structures: more than 10m ² in plan area.	184.78	212.50

Note: 1. Consents for new boat-related structures or to alter boat related structures in waterbodies will be subject to an inspection charge of \$65.00 per hour (plus GST) per officer during their construction phase.

Note: 2. Refer to Section 4.2.3 for basis of charges.

charging policy summary continued

Appendix 9: Major Industries

Estimated Annual Charges for Resource Consents for Major Industries

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
AFFCO Moerewa	7381(1), (2), (4-11)	2,746.09	3,158.00
Ballance Agri-Nutrients Ltd	7247	1,143.91	1,315.50
GBC (Portland Cement Works)	5059 (1-6), (8)	1,143.91	1,315.50
NZMP Ltd (Kauri) (part of Fonterra Co-op Group Ltd)	4373, 4375, 4377, 4836, 7532, 7671, 8159	7,436.09	8,551.50
NZMP Ltd (Maungaturoto) (part of Fonterra Co-op Group Ltd)	4204, 5139, 5140, 5145, 5146, 5147, 7119, 7155	9,723.91	11,182.50
Imerys Tableware NZ Ltd (Matauri Bay Plant)	1345, 2773, 5042, 6751, 6780, 6908, 8050	1,143.91	1,315.50
NZRC (Marsden Point Oil Refinery)	8319	13,727.83	15,787.00

Appendix 10: Timber Treatment Plants

Estimated Annual Charges for Resource Consents for Significant Timber Treatment Plants

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
McEwing Enterprises Ltd (Oturei Timber)	4721	572.17	658.00
North Pine Ltd (Waipū)	7651	1,143.91	1,315.50
Donnellys Crossing Sawmills Ltd	4652	1,143.91	1,315.50
Kaihū Valley Sawmill	4653	1,143.91	1,315.50
Carter Holt Harvey Forests Ltd	7921	857.83	986.50
Croft Pole Distributors Ltd	8528 (incorporates 4758)	1,143.91	1,315.50
Sheppard, B (Matakohe)	7622	1,143.91	1,315.50
Kaitāia Timber Co. Ltd	4655	1,945.22	2,237.00

Note: For the basis of charging, refer Section 4.2.4.

Appendix 11: Major Effluent Discharges or Discharges to Sensitive Receiving Environments

Estimated Annual Charges for Resource Consents for Major Effluent Discharges

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
Far North District Council	3839, 2577, 2635, 3775, 7203, 7205	* 1,716.09	1,973.50
Far North District Council	2337, 4007, 7205, 1108, 7399	* 2,287.83	2,631.00
Far North District Council	4111, 2667	* 2,573.91	2,960.00
Far North District Council	2417, 932	* 2,973.91	3,420.00
Far North District Council	1168	7,550.00	8,682.50
Kaipara District Council	1102, 1115, 1116	* 2,173.91	2,500.00
Kaipara District Council	3666	4,576.09	5,262.50
Kaipara District Council	3780	1,143.91	1,315.50
Whāngārei District Council	4509	1,143.91	1,315.50
Whāngārei District Council	7403	1,830.00	2,104.50
Whāngārei District Council	4155	1,143.91	1,315.50
Whāngārei District Council	2576	2,287.83	2,631.00
Whāngārei District Council	7445	1,945.22	2,237.00
Whāngārei District Council	4352	3,432.17	3,947.00
Ministry of Education	Administration Charge, schools charged separately for monitoring costs.	** 3,089.13	3,552.50
Ota Point Effluent Society	2724	2,860.00	3,289.00

* each Consent ** Combined Charge

Note: For the basis of charging, refer Section 4.2.4.

Appendix 12: Refuse Landfills

Estimated Annual Charges for Resource Consents for Closed and Operating Refuse Landfills

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
Far North District Council	1824	686.09	789.00
Kaipara District Council	4816	1,143.91	1,315.50
Kaipara District Council	4809, 4814, 7234, 2257, 4433	* 686.09	789.00
Far North District Council	7503	1,373.04	1,579.00
Far North District Council	4789	1,486.96	1,710.00
Kaipara District Council	7562	6,863.91	7,893.50
Far North District Council	2918	1,830.00	2,104.50
Far North District Council	7502	4,576.09	5,262.50

* each Consent

charging policy summary continued

Appendix 13: Large Scale Discharges to Air

Estimated Annual Charges for Resource Consents for Large Scale Discharges to Air

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
AFFCO (Moerewa) Ltd	7381(34)	# 2,860.00	3,289.00
Ballance Agri-Nutrients Ltd (Whāngārei Plant)	7068	# 4,576.09	5,262.50
Golden Bay Cement Ltd	5059(7)	# 3,432.17	3,947.00
Juken Nissho Ltd	7062	21,736.09	24,996.50
NZ Refining Co. Ltd	8319(2) prev. 7075	1,945.22	2,237.00
NZMP Ltd (Kauri)	7072	# 5,147.83	5,920.00
NZMP Ltd (Maungaturoto)	7073	# 5,147.83	5,920.00
Richmond (Effluent Ponds)	7088	1,143.91	1,315.50
Croft Timber	8528	4,576.09	5,262.50
TDC Sawmills	8417	4,576.09	5,262.50

Industries Requiring Stack Testing

Note: For the basis of charging, refer Section 4.2.4.

Appendix 14: Marinas

Estimated Annual Charges for Resource Consents for Major Coastal Activities

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
Far North Holdings Ltd, Ōpua Marina	8385	4,576.09	5,262.50
Kerikeri Cruising Club	6260	4,576.09	5,262.50
Riverside Drive Marina Ltd	7926	343.04	394.50
Tutukākā Marina Management Trust	2093, 6267, 7836	* 4,576.09	5,262.50
Whāngārei Marina Management Trust	7958, 8089, 8517	* 4,576.09	5,262.50
Whangaroa Marina Trust	7940	4,576.09	5,262.50

* each Consent

Note: The basis for charging are described in Section 4.2.4. Navigation, Water Transport and Maritime Safety Bylaw charges also apply to Marinas as detailed in Appendix 6.

Appendix 15: Water Takes of High Potential Effects

Estimated Annual Charges for Water Take Consents for High Potential Effects

Fee Level	Consent Holder	Consent No(s)	Annual Admin Supervision/ Monitoring Charge \$ GST Incl.	Resource User Charge \$ GST Incl.	Total Annual Charge \$ GST Incl.
70	Whāngārei District Council	2960	* 2,392.00	805.00	3,197.00
74	Fonterra Kauri	437304	* 2,751.00	805.00	3,556.00
52	Far North District Council	4369	* 2,631.00	402.50	3,033.50
53	Maungatapere Water Supply Co	4607	* 359.00	805.00	1,164.00
54	Murphy Prosperity Trust	4715	* 359.00	402.50	761.50
55	North Power	4845	* 897.00	402.50	1,299.50
56	Ngāwhā Geothermal Resource Company Ltd	488312	* 598.00	# 1,207.50	1,805.50
57	Kokich & Anderson	4965	* 717.50	805.00	1,522.50
58	Northern Dairylands Ltd	5004	* 598.00	402.50	1,000.50
59	A B Kevey & L J Christie	5014	* 418.50	402.50	821.00
59	McBeth Farms Ltd	5021	* 418.50	402.50	821.00
59	Brown Trust Partnership	5022	* 418.50	402.50	821.00
59	Leeuwenburg J A & G M Leeuwenburg	5027	* 418.50	402.50	821.00
58	Bryant Fischer Family Trust	7330	* 598.00	402.50	1,000.50
60	Whāngārei District Council	7398	* 1,196.00	805.00	2,001.00
71	Whāngārei District Council	7404	* 2,990.00	805.00	3,795.00
61	Whāngārei District Council	7405	* 837.00	402.50	1,239.50
61	Woodbury Farming Ltd	7411	* 837.00	402.50	1,239.50
55	Kaipara District Council	7582	* 897.00	402.50	1,299.50
62	Burke Farms Ltd	7642	* 717.50	402.50	1,120.00
62	Kaipara District Council	8032	* 717.50	402.50	1,120.00
61	Kaipara District Council	8134	* 837.00	402.50	1,239.50

* Includes a charge pursuant to Section 36(1)(c) towards the costs of specific investigations (flow and/or water quality monitoring) within catchment relating to consent and compliance monitoring (see Section 4).

Multiple consents taking from different catchments and/or resources.

Note: For the basis of charging, refer Section 4.2.4.

charging policy summary continued

Appendix 16: Miscellaneous Management Charges

The Council's Resolution of 8 December 2004, "that pursuant to Section 150(6) of the Local Government Act 2002, Council Managers be authorised to set or vary labour, plant and equipment hire fees and fees for miscellaneous services provided by the Council as necessary from time to time."

The Council's labour, plant and equipment charges to external parties are as follows:

1. Laboratory Services – Laboratory Test Charges

Job Reference No.	Description/Criteria	Per Sample	
		\$ GST Excl.	\$ GST Incl.
7346	Absorbance % Transmittance	5.22	6.00
7369	Conductivity	9.13	10.50
7349	Deposited Air Particulate	60.00	69.00
7368	Dissolved Oxygen	5.22	6.00
7377	E coli/Total Colifoms – Colilert	27.83	32.00
7378	Enterococci – Enterolert	27.83	32.00
7373	Faecal Coliforms by MF	22.17	25.50
7381	Microscopic Examination	23.91	27.50
7374	Faecal Coliforms by MPN	40.00	46.00
7370	pH	5.22	6.00
7348	PM ₁₀	30.00	34.50
7371	Salinity	5.22	6.00
7358	Suspended Solids	16.96	19.50
7372	Temperature	1.30	1.50
7365	Turbidity	6.52	7.50
7346	UV% transmittance	5.22	6.00

Any further tests required, please contact laboratory staff for prices.

2. Labour – General

Labour costs for the Council's staff not previously specified in this Policy will be charged at an hourly rate determined from actual employment costs, including overtime rates if applicable, plus a multiplier to cover overheads and any internal costs incurred.*

3. Plant

3.1 Where any of the Council's plant is hired, extra costs including additional labour cost in overtime hours, travelling allowance, transport charges, etc, shall be recovered from the hirer of the plant. Where plant is ordered and its services cancelled, all costs incurred by the Council are payable by the hirer.

3.2 Water Quality Monitoring Devices

	\$ GST Excl.	\$ GST Incl.
YSI Sondes per day	60.00	69.00
ISCO Automated Sampler per day	50.00	57.50

All labour incurred in the hire of water quality monitoring devices, is additional and charged in accordance with the charge out rates specified in Section 4.2.4.

* When tradesmen are called out, and their service is cancelled, all costs incurred by the Council are payable by the hirer, at the above charge-out rates.

Appendix 16: continued

3.3 Vehicles/Quads

**Inland Revenue Approved Mileage Rates
Annual Work Related Kilometres Travelled**

**External Rate
per km
\$ GST Excl.** **Internal Rate
per km
\$ GST Excl.**

Motor Vehicles

1 - 3000 km (total kms for a job)	0.62	0.28
3001 kms and over (for each km over 3000)	0.19	0.28
Transit Van or similar (Public Service Rate)	1.00	0.41
Light Truck (Public Service Rate)	1.20	0.55
Motor Vehicles - Flat Rate	0.28	0.26

Motor Cycles/Quad Bikes

1 - 3000 km	0.31	0.14
3001 kms and over (for each km over 3000)	0.10	0.14
Transit Van or similar (Public Service Rate)	0.14	0.14
Light Truck (Public Service Rate)	1.20	0.55
Motor Vehicles - Flat Rate	0.28	0.26

Flat rates may be used where a great deal of travel related to one job is done regardless of the distance travelled in a year.

3.4 Waterblaster (Labour Additional)

\$ GST Excl. **\$ GST Incl.**

Large 4000 p.s.i. per hour	39.13	45.00
Medium 3000 p.s.i. per hour	26.96	31.00

3.5 Floating Plant – Standard Rates

\$ GST Excl. **\$ GST Incl.**

(a) Workboat Hire

Workboat – Waikare per hour	600.00	690.00
Standby - Waikare per hour	265.22	305.00

For significant commercial projects, the Council will negotiate hire, standby and total costs with contractors and other parties.

(b) Small Launch Hire

BOI Patrol Boat Gemini II per hour	150.00	172.50
Standby – Gemini II per hour	100.00	115.00
5 metre Lazercraft per hour	140.00	161.00
Standby – Lazercraft per hour	90.00	103.50
5.8 metre Inflatable (Tai Ao) per hour	200.00	230.00
Standby – Tai Ao per hour	130.00	149.50

All labour and transport costs incurred in the hire of vessels, are additional and charged at \$70.00 per hour per crew member.

NB: (Additional rates may apply in overtime hours)

Other Plant not specified above

Each request to hire other Regional Council plant or equipment is to be referred to the appropriate Manager for approval, who shall apply a realistic charge-out rate and notify the Finance Manager so that an invoice can be raised.

charging policy summary continued

Appendix 16: continued

4. Hire Charge – Council, Committee, Training/Meeting Rooms

Catering is the responsibility of the hirer. Any refreshments provided by the Council will be on charged at cost.

		\$ GST Excl.	\$ GST Incl.
Council Room	per day	150.00	172.50
Committee Room	per day	50.00	57.50
Council & Committee Rooms	per day	180.00	207.00
Kaipara Training Room	per day	150.00	172.50
Whangaroa Meeting Room	per day	50.00	57.50
Kaipara/Whangaroa Rooms	per day	180.00	207.00

5. Hire Charge – Council video Conference Facilities

Hire charge includes a meeting room.

	\$ GST Excl.	\$ GST Incl.
Price Per Hour	370.00	425.50

Bookings will be subject to the availability of a meeting room and the video conferencing unit. Priority will be given to Council business. Video Conferencing unit is a Tandberg unit with a 47 inch screen. Connection is IP only and is not configured for ISDN.

6. Photocopying (per page)

	Colour A4 \$ GST Excl.	Colour A3 \$ GST Excl.	Black A4 \$ GST Excl.	Black A3 \$ GST Excl.
Applicants/Staff	0.31	0.44	0.09	0.18
Other Parties	0.44	0.88	0.18	0.26

Note: Double-sided is equivalent to two pages.
Labour costs also to be recovered.

7. Biosecurity – Sale of Pest Control Products

Northland landowners are entitled to a one off free issue of 2.5kg bag of Pestoff and 2kg bag of rabbit pindone. Landowners are also entitled to a one off free issue of a 5-gram sachet of herbicide to control wild ginger.

All other pest control products such as traps, pesticides, prefeed, bait stations, and associated equipment are resold at a 10% mark-up on the price they are purchased from the manufacturer. This 10% mark-up is to cover the administrative costs of supplying these products.

8. Digital Colour Aerial Ortho-Photography

The Council, through a partnership with the other Councils in the region, is currently acquiring digital colour aerial ortho-photography for the region. Geo-referenced tiff images are available for purchase or use. Any purchase or use is subject to a licensing agreement, available on request.

The agreement may vary depending on the purchase or use and it is at the Council's sole discretion whether such an agreement is entered into.

Typical clauses in purchase agreements:

1. The owners will supply the aerial photography to the purchaser as GIS compatible geo-referenced tiff tiles and the associated registration file, with each tile scale covering 2500m x 3750m.
2. The said aerial photography is supplied to the purchaser for internal use only and may not be sold or distributed in any format.
3. The purchaser will not make the said aerial photography available to any other organisation or person in any form.
4. The purchaser will refer any request for derived or associated products by any third party, to the owners.

All hardcopies of the aerial photography produced by the purchaser for its own use shall be endorsed with a statement that the aerial photography is copyright and may not be reproduced in any form without the consent of the "Owners".

Appendix 16: continued

Purchase of small sets of 1:5000 tiles, for an organisation's own internal use: \$50 per tile plus compilation costs at the standard charge rate per hour and GST.

Purchase of large sets of 1:5000 tiles: Price negotiable, including recovery of compilation costs at the standard charge rate per hour and GST.

Use of sets for research purposes: Price negotiable, including compilation costs at the standard charge rate per hour and GST.

9. Publication Charges for RMA and Miscellaneous documents

Plan	\$ GST Incl.
Regional Policy Statement	46.00
Regional Coastal Plan	206.50
Regional Air Quality Plan	46.00
Regional Water and Soil Plan	165.50
Integrated Transport Study	36.00
Regional Land Transport Strategy	56.00
Heavy Traffic Volumes in Northland	20.50
Oakleigh-Marsden Point Rail Link Project	20.50
On-site Wastewater Disposal from Households and Institutions	20.50
CDs of Plans	20.50

Any Council publications not made freely available to ratepayers may be purchased at cost from the Council. Contact the Council for further details.

glossary and abbreviations

Activity	A good or service provided by, or on behalf of, a local authority or council-controlled organisation; includes the performance of regulatory and other governmental functions.
Annual Plan	A business plan identifying a series of actions to be taken to achieve desired outcomes.
CDEM	Civil Defence Emergency Management.
Community Outcomes	The outcomes for the Northland Region that are identified as priorities for the time being. These outcomes reflect the combined aspirations of people in Northland and as such belong to the community and not to the Regional Council.
Conductivity	The conducting power of a specified material.
Consultation	A dialogue between the Council and the community aimed at deciding the best course of action on a particular issue.
Council-Controlled Organisation	An organisation in which the Council directly or indirectly controls more than 50% of the votes at meetings of that entity.
Democracy	Active participation by citizens in decision making processes that ensures the Council is accountable to residents, ratepayers and the community for its decisions and activities.
DOC	Department of Conservation.
Draft Plan	Northland Regional Council publishes a draft plan so that the community can make comments (through submissions) before the Plan is finalised.
Ecosystem	A natural unit consisting of all plants, animals and micro-organisms in an area functioning together with all of the non-living physical factors of the environment.
FNDC	Far North District Council.
Funding and Financial Policies	These describe how the Council's work will be paid for and the mechanisms for gathering the funds (such as general rate, targeted rates, user charges, grants).
GDP	Gross Domestic Product.
General Rate	A rate levied across all properties for activities that benefit the whole Region.
Governance	Is how the Council oversees the effective and responsible management of resources, delivers services, and sets the strategic direction for the Region including how it engages with the community (representation).
Grants	Grants are available from central government and statutory organisations where there are national benefits or the grants are part of a policy to promote a particular activity or project.
Group of Activities	A Group of Activities means one or more related activities provided by, or on behalf of, the Northland Regional Council and Council-Controlled Organisations.
Iwi	A Maori tribe, usually comprised of a number of hapū (sub tribes) which share a common ancestor.
Joint Venture	A commercial or non commercial partnership between the Council and one or more other parties in which all those involved work together to try and obtain a mutually beneficial set of outcomes.
Kaitiakitanga	The exercise of guardianship; and in relation to a resource. It includes the ethic of stewardship based on the nature of the resource itself.
KDC	Kaipara District Council.
Levels of Service	These are defined service parameters for a particular group of activities. They are described in terms of measures and targets.
LGOIMA	Local Government Official Information and Meetings Act, 1987
LGA	Local Government Act 2002
Local Government Act 2002	The legislation that explains what the Council's responsibilities are to the Community and how it must fulfil them.
Long Term Community Plan (LTCCP)	Northland Regional Council must, at all times, have an LTCCP which must cover a period not less than 10 consecutive financial years. It includes descriptions of the activities Northland Regional Council will engage in over the life of the LTCCP, why Northland Regional Council plans to engage in its activities and how those activities are to be funded.

MAF	Ministry of Agriculture and Forestry.
Measures	Measures are used to report on progress towards achieving community outcomes. They are also used to show progress towards meeting levels of service.
MFE	Ministry for the Environment.
NAES	Natural Areas of Ecological Significance.
NIF	Northland Intersectoral Forum.
Northland Community Plan	Long Term Community Plan (LTCCP) for Northland
NZTA	New Zealand Transport Agency
Particulate matter	(PM ₁₀) – Small solid or liquid particles.
RAQP	Regional Air Quality Plan.
Renewable	Is something that can be used over and over again without running out – e.g. solar energy.
Resource Management Charges	Northland Regional Council charges for services associated with managing the natural environment. These services include processing and monitoring resource consents, and preparing and changing the Regional Policy Statement and Regional plans.
RMA	Resource Management Act 1991.
RMZ	Riparian Management Zone.
RPMS	Regional Pest Management Strategy.
RPS	Regional Policy Statement.
RTC	Regional Transport Committee.
RWASP	Regional Water and Soil Plan.
Special Consultative Procedure	A specific procedure for the way that the Council must consult with the community as required by the Local Government Act 2002.
Submission	Feedback or suggestion from a citizen or group on an issue.
Sustainable Development	One definition is the development that meets the needs of current generations without compromising the ability of future generations to meet their own needs. Another definition is that sustainable development is development that takes into account the four well-beings, environmental, economic, cultural and social well-being.
Sustainability	Using all of our resources in such a way that they can be maintained in perpetuity.
Taitamariki	Young men, young women, youth.
Tāngata Whenua	People of the land, the people who hold the turangawaewae and the manuhenua in an area, according to tribal and hapū custom.
Taonga	Treasures, possessions, including both tangible and intangible treasures, for example, the Māori language.
Targeted Rate	A rate levied for activities that benefit only a part of the region (previously called 'separate rates').
Territorial Local Authority (TLAs)	Local territorial authorities include all district and city councils.
Te reo	The language (Māori).
Tikanga Māori	Māori concepts.
User pays	Where an individual benefits directly from a service, or creates the need for a service, then appropriate fee and charges are made.
Wāhi tapu	Places of sacred and extreme importance.
WDC	Whāngārei District Council.
Well-being	Councils are required to consider the future well-being of the community when they plan their activities. This involves social, economic, environmental and cultural well-being.



Putting Northland first

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