

building Māori capacity

Policy on relationships with Māori

Māori capacity

The Local Government Act 2002 contains a range of provisions regarding the relationship of local government with Māori. The intention of these provisions is to assist Māori to participate in the decision-making processes of local authorities.

In addition to the obligations within the Local Government Act, the Resource Management Act 1991 outlines specific obligations for Regional Councils regarding:

- Kaitiakitanga;
- The principles of the Treaty of Waitangi; and
- The relationship between Māori and their culture and traditions and their ancestral lands, water, sites, wāhi tapu and other taonga.

In order to give effect to the obligations under the Local Government and Resource Management Acts, the Regional Council continues to work with Māori to enhance relationships and participation for Māori.

Iwi projects

The Council's Iwi Management Plan Fund was fully subscribed this year. Te Runanga o Whaingaroa received funding to write an Environmental Management Plan. The funding will also see them initiate the first steps to creating a digitised State of the Environment report for their role.

The Council continues to support the Integrated Kaipara Harbour Management Group. This forum is led by Te Uri o Hau in partnership with Nga Rima and Te Runanga o Ngati Whatua. Local authorities and Government agencies that have a functional relationship with the harbour through legislation are also involved.

Representation of committees

Both the Regional Transport and Environmental Management Committees have iwi representation. These positions have been filled for the past electoral term.

Regional engagement

The Regional Council's Chief Executive Officer continues to participate in the Iwi Council CEO's forum. This valuable regional group meets monthly to discuss a broad range of issues affecting Northland. These included:

- Strategic planning documents, e.g. Regional Policy Statement, Regional Growth programme.
- Broadband.
- Treaty Settlements.
- National rating review.
- Resource Consents such as district wastewater systems.
- Legislation such as foreshore and seabed.
- Rugby World Cup.
- Māori engagement.



Māori Liaison Officer

Northland Regional Council continues to employ one specialist Māori Liaison Officer. The Iwi Liaison Officer continues to work with mana whenua groups to build and maintain effective relationships with iwi groups. A part of this role is to raise the capacity of Council staff to engage with mana whenua by providing Treaty of Waitangi and Basic Te Reo and Marae Protocol Training, which is compulsory for all Council staff to attend.

our region

Northland is a long, narrow peninsula with a subtropical climate – the warmest in New Zealand. It has a land area of 1.25 million hectares and a population of nearly 160,000. Local government in the region includes the Northland Regional Council and the Far North, Kaipara and Whāngārei District Councils.



Northland is known as “the birthplace of the nation”. It is also known for its national icons, such as the ancient kauri forest and its scenic and accessible coastline (a national treasure), sheltered harbours, many offshore islands and ecosystems of important conservation value.

The region is growing in popularity as a holiday destination due to its outstanding natural environment, warm climate, low population density and proximity to Auckland. Next year’s Rugby World Cup will see our visitor figures increase and will be a prime opportunity for us to show off our region to fellow New Zealanders, our pacific neighbours and the wider world.

Our people

In 2006, Northland had a population of around 148,000 (2006 Census), which has continued to grow due to both births and people moving to the region. By 2031 Northland population growth is predicted to be 12.5% (Stats NZ, mid-range projection). The largest ethnic group is New Zealand European while Northland has a growing Māori population, predicted to increase from 31% to 36% by 2016. The largest age group in Northland is 10-14 year olds. (We also have a significant number of older people too – 14.5% of people in Northland are aged 65 years and over, compared with 12.3% of the total New Zealand population).

Our culture

Northland has a rich history as the first area settled by a large Māori population, and the centre of early European exploration and settlement. There is an extensive range of traditional and archaeological sites, historic buildings and structures.

Traditional sites are important because of their historical, cultural and spiritual significance to Māori. This includes everyday sites such as pā sites and traditional food gathering areas, and wāhi tapu (sacred sites) such as urupā (burial grounds), war sites or tauranga waka (sites where ancestral canoes landed).

Archaeological sites relate to the more recent European occupation during the timber milling and gum digging eras and include camps, dams and coastal shipwrecks. The heritage of Northland is also reflected in the early colonial buildings and structures such as the missionary houses at Waimate, Kerikeri and Russell and the Waitangi Treaty House and National Reserve.



Our economy

Northland’s economy generated \$4.47 million in 2008, some 2.5% of New Zealand’s GDP. Among broad industries manufacturing is the largest in Northland, contributing 16.6% of value added to the region’s economy in the March 2008 year. Second largest is agriculture, forestry and fishing (14.7%) followed by business and property services (11.9%). Manufacturing includes the Marsden Point Oil Refinery.

Tourism makes a larger contribution (5.8%) to GDP in Northland than it does at the national level (5.0%). However, Northland’s share of national tourism GDP is significantly lower than its share of total guest nights and total tourism expenditure due to lower average daily spend by tourists, the composition of spend and leakage of spend to other parts of the country. When compared against the 19 major industry categories tourism is in the middle in terms of contribution to GDP. Whāngārei is well established as the service centre for the region and over the past ten years health and community services in the region have accounted for 10.9% of our growth.



Northland's economy has grown at a slower rate (2.9%pa) than the national economy over the past ten years (3.3%) but equalled it over the past five years. If measured in terms of GDP per capita Northland's growth matches that of the national economy over the ten year period and exceeds national growth over the past five years. However, because Northland's GDP per capita growth is of a considerably smaller base than at the national level, the absolute gap between Northland's per capita GDP and national per capita GDP has widened over the ten year period.

Economic growth in Northland has been volatile; over the past ten years annual growth has varied from 5.4% in 2001 and 5.2% in 2006 to -1.4% in 2003. The contraction in 2003 was led by the agricultural sector, following floods in February. Like the rest of New Zealand, Northland's economy has been affected by the global recession. The economic, environmental, and social impacts of the drought this year were also significant for Northland. Those impacts will be felt for a number of years to come.

Along with others the Northland Regional Council (through the Northland CDEM Group) reported on and assisted Rural Support Trust Northland to manage the impacts of the drought and we will continue to work with our partners to ensure they, our economy and the environment is resilient and prepared for prolonged dry weather in the future.

The Council is moving towards a Community Growth Programme that provides vision and leadership for Northland as a region whilst working alongside communities to develop their own individual visions and potential into the future. Reducing volatility in the economy, building resilience, increasing skills, attracting business and people to work here, will all be critical to achieving a sustainable economy.

Our environment

With its proximity to the sea, almost subtropical location and low elevation, Northland has a mild, humid and rather windy climate. Summers tend to be warm and humid. Winters are usually mild with many parts of the region having only a few light frosts each year. The prevailing wind for most parts of the region is from the south-west, however in summer tropical cyclones give rise to north-easterly winds and heavy rainfall.

The mean annual rainfall ranges from about 1000-1300mm in low-lying coastal areas, to over 2500mm on some of the higher country, with approximately one-third of the yearly rainfall total falling in the winter months of June, July and August. High-intensity rains can cause severe flooding. Droughts are also common in Northland during the summer months. Records show that parts of the region, on average, have a drought of economic significance every three years.





Climate change is predicted to cause higher temperatures and extreme weather patterns with greater intensity rain events and periods of drought.

Northland's subtropical weather and wide range of places for things to live means we have many different plants and animals, many of them found nowhere else. Our ecosystems of importance include rivers, lakes and wetlands, forest and shrublands and our coastal environment. We also have a range of pest animals and plants we need to eradicate or manage with the help of the community.

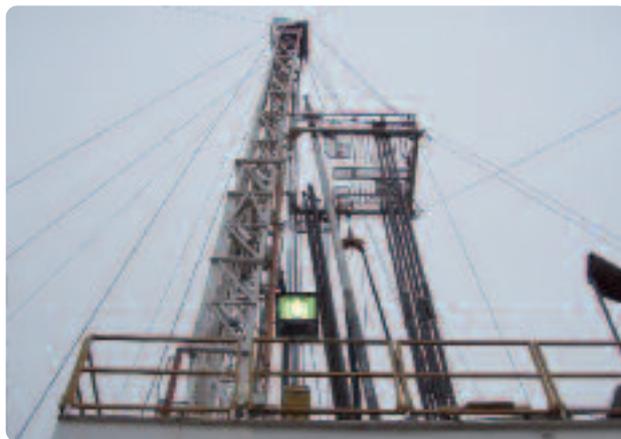
Many of Northland's rivers are relatively short with small catchments. The Wairoa River is Northland's largest, draining a catchment area of 3650 km² (29% of Northland's land area). Most of the major rivers flow into harbours, rather than discharging to the open coast, which has significant implications for coastal water quality. The region has a large number of small and generally shallow lakes but we also have Lake Taharoa of the Kai Iwi group which is one of the largest and deepest dune lakes in the country – it covers an area of 237 hectares and is 37 metres deep.

Our groundwater is a valuable resource as it is used by many towns and rural settlements for domestic water supply, irrigation and stock drinking water. Northland also has one geothermal field around Ng Wh Springs, to the east of Kaikohe and our remaining highly versatile or 'productive' soils are now mapped.

Our infrastructure

Good infrastructure promotes healthy and productive people and communities. It is an important platform for the region's economy, social development, and environment.

Both 'hard' infrastructure (roads, rail, schools, hospitals, water and wastewater treatment and power stations and 'soft' infrastructure (our institutions and networks such as the financial, educational or welfare systems, social networks, connectedness, knowledge transfer, and services) contribute to the economy and growth, and our social, cultural and environmental well-being. If absent, poorly maintained, under funded, unaffordable, under used or lacking capacity, then society in the widest sense suffers.



Addressing inequalities, securing growth and improving wellbeing in Northland will create the need for additional infrastructure, potentially very different infrastructure, than what we have and are planning for today. Some of this infrastructure will be regionally significant and some will be locally important. It will all need to be paid for. This year the Council has worked with others to improve our region's infrastructure, for example through the development of the 30 Year Transport Strategy for Northland, and we are integrating this into our resource management and regional community growth planning.



financial highlights

Understanding the Council's reported surplus for the year ended 30 June 2010

The Council has consistently operated within a sound financial position. The continuing and prolonged economic recession has continued to negatively impact on the level of interest revenue earned. This has been largely offset by increased revenue in other areas and savings in operational expenditure.

Council posted a deficit, before tax of \$7.8 million for the year ended 30 June 2010 compared to a budgeted deficit of \$12.3 million.

There are a number of extraordinary or one-off non-operating items contributing to this variance (see below) and if these are removed, the true operating surplus would be about \$500 thousand (against what would have been a budgeted surplus of \$595 thousand (\$12.3) million deficit plus \$13 million grant towards the Events Centre, plus fair value gains of \$137 thousand). The actual result is satisfactory and reflects Council's prudent financial management.

The budgeted deficit and the variance of actual results against budget is largely due to Council including in its budget a \$13 million grant towards the establishment of the Northland Events Centre and making only a \$10.4 million contribution during the 2009-2010 financial year. A \$2.9 million contribution was made during the 2008-2009 year. Included in this year's income is a further \$2.5 million received from Central Government to bring the Northland Events Centre to Rugby World Cup standard. Whāngārei District Council has made a \$3 million contribution towards the Centre. A further \$2.2 million will be paid by the Northland Regional Council in the 2010-2011 financial year, bringing the total cost of the Northland Events Centre to \$18.5 million. The Events Centre contract is a fixed price design-build contract. The \$13 million contribution is to be funded from revenue collected from the Recreational Facilities rate over an approximate 15 year period. The Recreational Facilities rate commenced on 1 July 2006.

The operating deficit of \$7.8 million includes a \$806 thousand increase in the fair value of investment property and property held for sale (including \$695 thousand decrease relating to land purchased for the proposed Marsden Point to Oakleigh rail corridor). The operating deficit also includes a \$330 thousand decrease in the fair

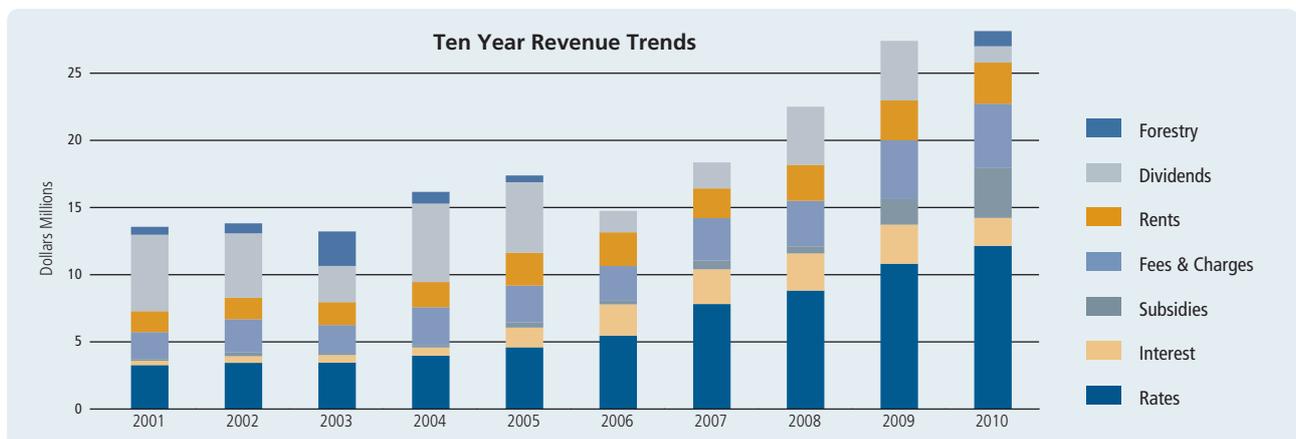
value of owner occupied buildings and disposal of minor property plant and equipment and a \$334 thousand decrease in the fair value of financial and forestry investments. Under NZ IFRS certain fair value movements are recognised as income in our financial statements even though the Council has not actually received or paid any additional cash. Council budgeted fair value increases in the value of forestry assets of \$137 thousand. Gains and losses resulting from fair value movements do not represent additional cash collected or paid by the Council and therefore the surplus or losses are not used to offset or increase rates or to fund Council's planned expenditure for future financial years.

The deficit also includes \$500,000 grant made towards the establishment of the Kerikeri Sports complex. This grant was approved by Council in October 2009, subject to Council satisfying itself it would not be liable for gift duty. Due to the uncertainty around the timing of the payment of the grant, the grant was not included in the 2009-2010 budget. At the end of May 2010, the Far North District Council advised the Kerikeri Sports Complex had successfully registered as a Charitable Trust and Council was able to pay the contribution. The \$500,000 contribution was made in early June.

Lastly, while not considered to be an extraordinary item, the surplus also includes expenditure of \$786 thousand (including the fair value adjustment mentioned above of \$695 thousand) relating to securing the Marsden Point rail designation, against budgeted expenditure of \$541 thousand and interest income of \$218 thousand against budget of \$518 thousand. While also not impacting on the net surplus, Council is now holding the designation asset of \$1.3 million (\$2009: \$830 thousand) as an inventory as required in accordance with New Zealand Financial Reporting Standards.

Revenue Trends

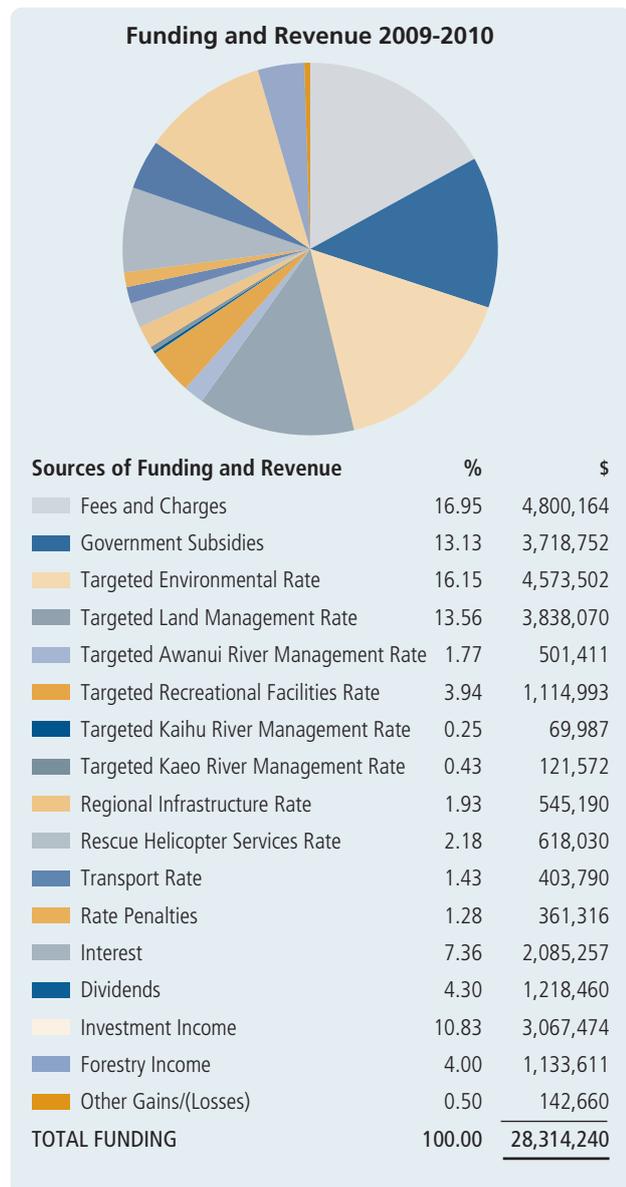
Rating revenue since 2005-2006 reflects the introduction of targeted rates to fund the proposed Regional Events Centre and extra land and emergency management initiatives. In the 2009-2010 financial year Council introduced a Targeted Transport Rate to fund the Whāngārei Bus Passenger Transport Services, that were previously funded by the Whāngārei District Council. Council also introduced the Targeted Rescue Helicopter Services Rate to provide funding certainty to the Northland Emergency Services Trust.



Our sources of Income

The following graph shows the various sources of the Council's \$28.3 million income during 2009-2010. The largest contribution to revenue was provided by rates. While rates continues to be the main source of income, the Council also received income from a number of other sources including from government grants and subsidies, user fees and charges and investment income.

The breakdown is as follows:



Our Expenditure

The following graph shows the allocation of our \$38.3 million of expenditure by activity. The Council's expenditure is guided by the priorities identified in our 2009-2010 Long Term Council Community Plan.

