

Annual Plan 2008-2009



Caring for Northland
and its environment

NORTHLAND
REGIONAL
COUNCIL



Mission Statement

The Northland Regional Council will provide policies, guidance and resources which encourage and enable the Northland community to manage and enhance its environment in a sustainable manner.

Ka whakatakotohia e Te Kaunihera A Rohe O Te Tai Tokerau nga kaupapa ture, nga kaupapa hei arataki me nga rawa hei whakahau kia taea ai e nga tangata o Te Tai Tokerau te whakahaere me te whakatairanga a ukauka i te taiao.

Northland Regional Council Values

- Environmental stewardship
- The cultures of the region
- An informed community
- Working relationships
- Openness and integrity
- Caring about the customer and delivering value
- Flexibility and innovation.

Northland Regional Council Annual Plan 2008-2009

**Adopted by the Northland Regional Council
at a special meeting held on 25 June 2008**

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

Ko te wehi kia Ihoa te timatatanga o te whakāro nui.

He maungarongo ki te whenua, he whakāro pai ki nga tangata katoa a, kia noho ai te aroha o Ihoa ki runga ki a tatou katoa.

TIHEWA MAURIORA!

E nga Iwi, e nga mana, e nga huihuinga tangata, nga mātua, nga whaea, nga kaumātua kuia hoki e noho mai na ki era o tatou wā kainga puta noa i te Taitokerau, tena koutou, tena koutou, tena koutou.

Tena ra koutou i o tatou aitua maha e hinga mai nei e hinga atu ra i runga ano te korero “He rarangi maunga tu te ao tu te po, he rarangi tangata e heke iho ana e heke iho ana”. Otira, kua okioki ratou, kua hoki ratou ki te kainga tuturu mo tatou mo te tangata, no reira haere koutou e nga mate, haere haere haere. Kaati mo ratou.

Anei nga whakarapopototanga o nga tikanga-a-tau mo Te Kaunihera A Rohe O Te Taitokerau.

I roto i te whakatakotoranga o enei tikanga, e rapu ana te Kaunihera i nga reo tautoko mai i nga iwi o Te Tai-tokerau, hei whakamana i a matou hei kaiwhakatutuki i enei tikanga, kia oti tahi ai tatou nga kaupapa kaitiaki i nga taonga tapu i tukua ki runga i a Papatuanuku.

No reira, e mihi tonu ana kia koutou e rau Rangatira ma, ko toku tino tumanako kia tau iho nga manaakitanga o Te Runga Rawa ki runga i a tatou i nga wa katoa.

Huri no i te rohe o Taitokerau, tena koutou, tena koutou, kia ora mai ano tatou katoa.

The creation of thought itself is born out of our devotion to the Almighty therefore may peace and goodwill reign amongst us all who dwell upon the Earth.

To the people of Northland, we extend our heartfelt greetings and acknowledge those beloved souls who have passed on beyond the veil. As the ancient saying goes “Lofty mountains stand for all eternity, mankind exists fleetingly upon the landscape” therefore we are all joined in wishing our dearly departed peaceful and eternal rest.

We present here, the Northland Regional Council’s Annual Plan. It sets out the direction Council will take over the next year to manage Northland’s environment for current and future generations.

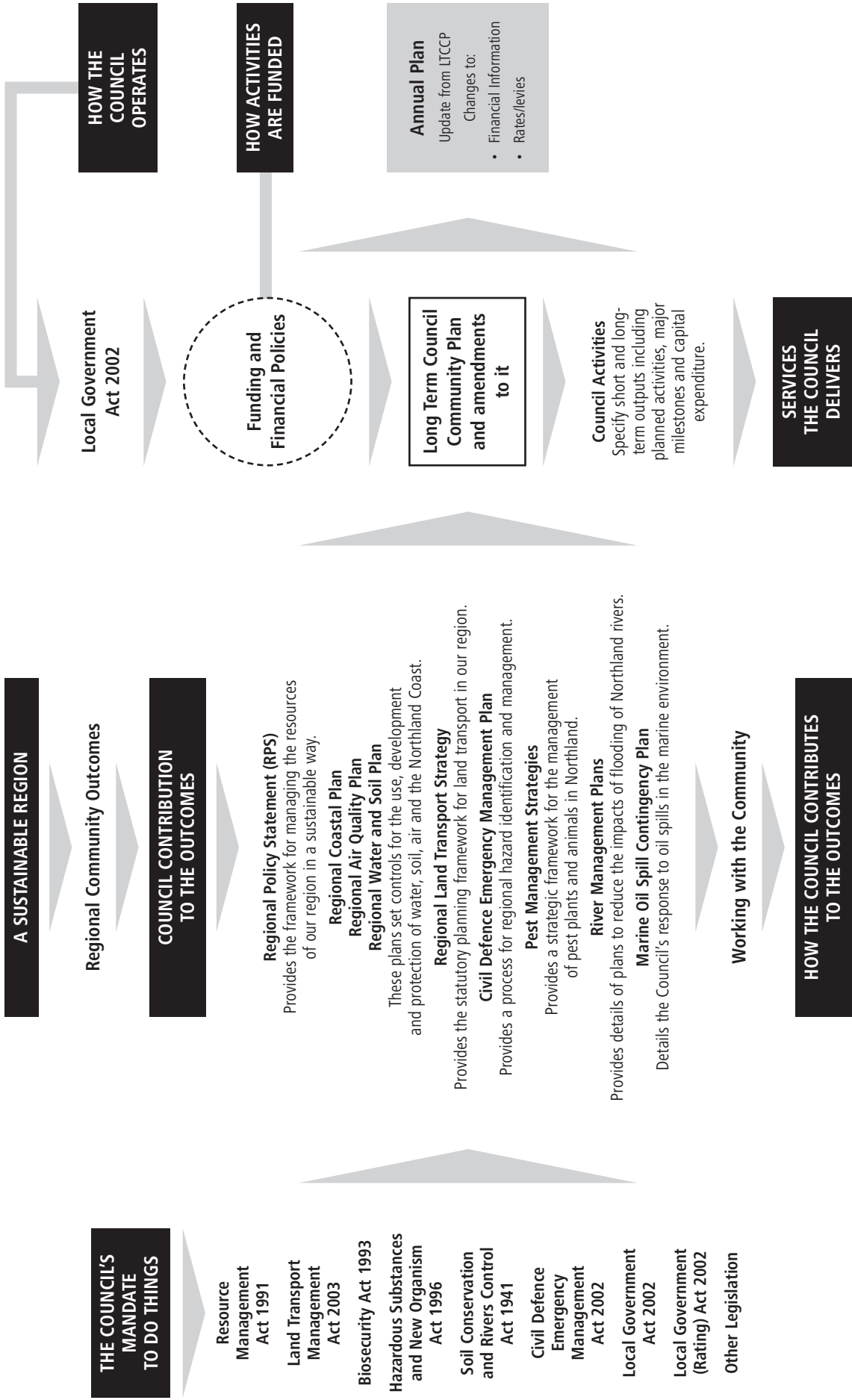
In setting this down we look to you, the people of Northland, for the mandate to carry it out so that together, we may achieve the wise management of the environment.

May we be blessed in doing so, therefore to you the people of Northland, we thank you once, we thank you twice and thank you yet again.

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Council Planning Processes



Welcome to Northland Regional Council's Annual Plan 2008-2009

The main purpose of the Annual Plan is to provide updated financial information on the budget and rates for the 2008-2009 year, and to offer the community the opportunity to help determine where and how the budget is spent.

The Annual Plan 2008-2009 supports the Council's second Long Term Council Community Plan (known as the Northland Community Plan 2006-2016) and focuses on identifying any changes or additions, rather than repeating the detailed information contained in the Community Plan. An updated Long Term Council Community Plan will be released next year and will cover the period 2009-2019.

Except where noted, the plans and activities established in the Northland Community Plan 2006-2016 apply to this Annual Plan and the 2008-2009 operations of the Council. Therefore, it is important that this Annual Plan is read in conjunction with the Northland Community Plan 2006-2016. Full details of Council levels of service, performance measures and targets are included in Appendix A. Copies of the Community Plan are available from the Council or from the Council's website www.nrc.govt.nz.

Following the Local Authority elections in October last year, the Regional Council has two new Councillors being Councillors Bain and Carr. A brief of each Councillor is included on pages 11-12. The Council's committee structure was also amended as part of the recent review of Council operations. The new committees and their primary functions are detailed on page 13.

Following hearing of submissions on last year's Annual Plan, the Council is proposing to fund channel works on the Hatea River. Details of this proposal can be found on pages 35-36.

There is an ongoing need to maintain river and stream channels in the Whangaroa area following the flood damage and remedial works required after the major storm events experienced last year. The Council also intends to review all relevant funding and catchment management policies as part of the 2009 LTCCP. Details of the Kaeo River Management Rate and prioritisation of river management plans are included on pages 39-41.

In addition, the Council intends to build on the work already undertaken to develop a Regional Growth Strategy for Northland. The Strategy will provide a clear vision and strategic direction for sustainably managing the region's future growth prospects.

Statements of Proposal

Under the Land Transport Management Act 2003, the Regional Council is required to prepare an Annual Regional Land Transport Programme outlining its regional transport management and passenger services administration activities for the coming year. Further details can be found on pages 47-49 of this Plan.

The Navigation, Water Transport and Maritime Safety Bylaw Charges 2007 have been updated to reflect increased costs associated with the regulation of navigation safety in Northland. Further details can be found on pages 50-54 of this Plan.

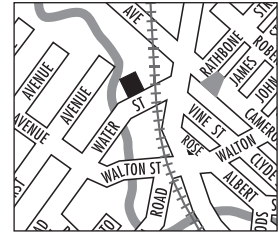
Excluding the variations to the Northland Community Plan 2006-2016 detailed above, the changes from what the Council had expected to happen in 2008-2009 are relatively minor, with some additional initiatives and refinement of costs as more information has become available. Specific variations affecting the Council's groups of activities are referred to on pages 28-46.

Council Offices

Northland Regional Council Address and Contact Details

Main Office

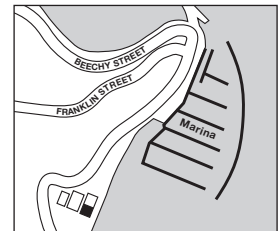
Street Address: 36 Water Street, Whangarei.
 Postal Address: Private Bag 9021, Whangarei 0140.
 Telephone No: 09 438 4639
 Facsimile No: 09 438 0012
 E-mail: mailroom@nrc.govt.nz
 Freephone: 0800 002 004
 24/7 Environmental Hotline: 0800 504 639
 Website: www.nrc.govt.nz



Whangarei

Opua Office

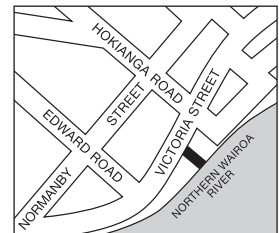
Street Address: Unit 10, Opua Marine Park, Opua 0200.
 Telephone No: 09 402 7516
 Facsimile No: 09 402 7510



Opua

Dargaville Office

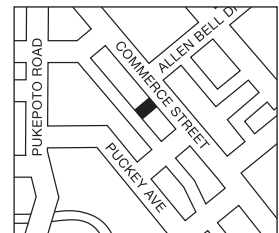
Street Address: 61B Victoria Street, Dargaville 0310.
 Telephone No: 09 439 3300
 Facsimile No: 09 439 3301



Dargaville

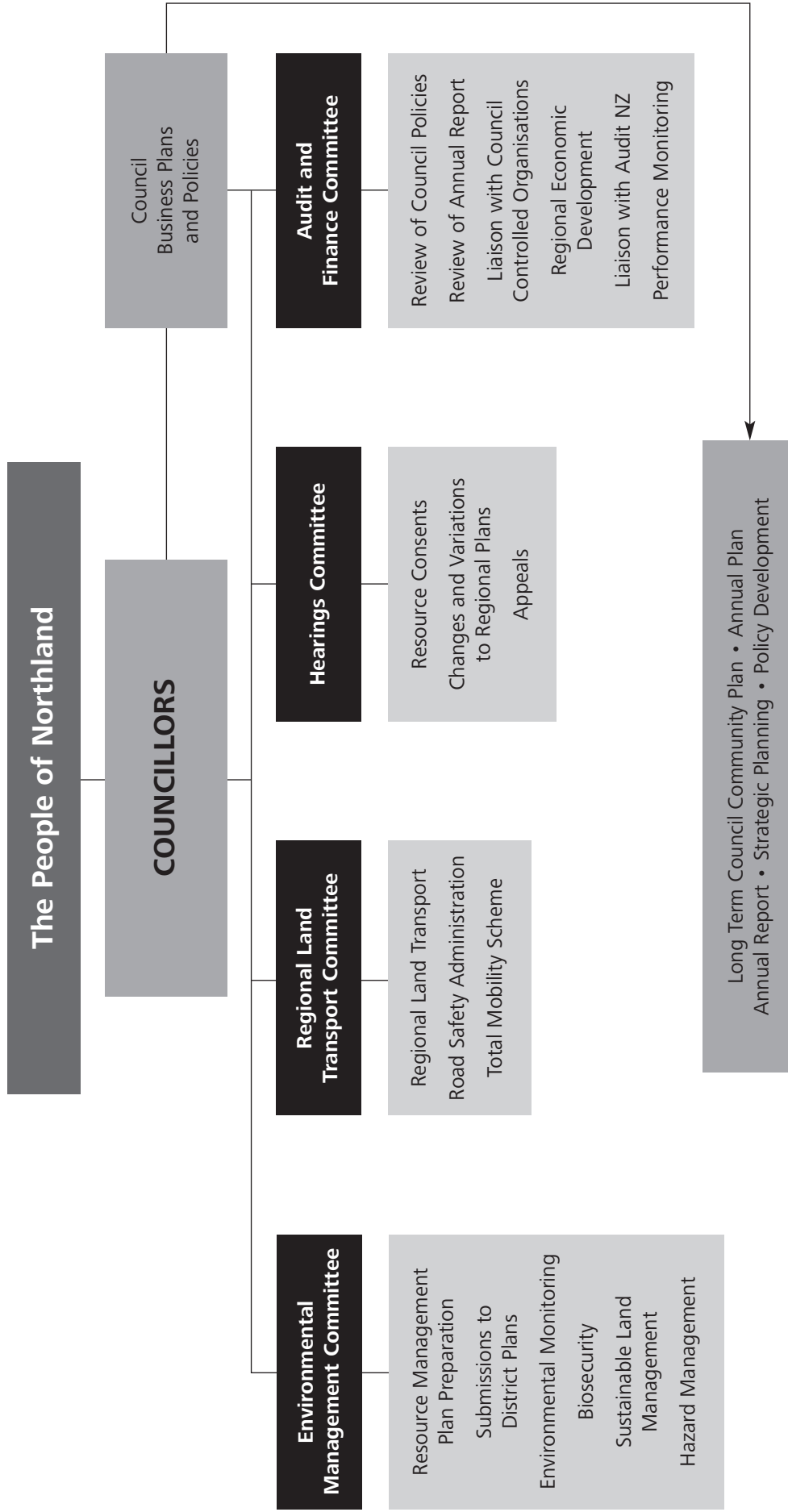
Kaitaia Office

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



Kaitaia

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

A Word from the Chairman and Chief Executive Officer

In most respects this adopted Annual Plan closely mirrors a path already clearly set out in Council's Long Term Council Community Plan 2006-2016.

Your Regional Council is involved in a wide range of activities including regional land transport planning, the facilitation of regional economic development, catchment and harbour responsibilities and emergency management.

To meet these extensive obligations – and ensure sustainable environmental management bottom lines continue to be met – the Council plans to spend about \$21.5 million (excluding GST) over the next 12 months.



However, with tougher economic times already making their presence felt, Northlanders can rest assured that every effort has been made – and will continue to be made - to ensure the Northland Regional Council continues to operate efficiently, responsively and in the best interests of the region as a whole.

There have been a number of recent changes to both staff and Councillor positions as part of an ongoing and extensive across-the-board review of the way the Northland Regional Council operates. Council has a new Deputy Chairman, Kaitaia-based Councillor Ian Walker, while Whangarei-based Cr John Bain becomes the new Chairman of the Regional Land Transport Committee. Councillor Joe Carr, also from the Far North, becomes Chair of a new Catchment Management Sub-Committee.

Catchment work is to receive a significant boost in the near future with Councillors allocating a total of \$1.6 million over the next two years to develop (or update) river management plans for 23 of the region's most flood-prone rivers. Sixteen of these rivers are in the Far North District, five in the Whangarei District and two in the Kaipara and the plans will aim to reduce future flood risk and property damage.

Meanwhile, a new targeted rate will also collect roughly \$100,000 annually from the flood-prone Whangaroa/Kaeo area to maintain its channels and streams.

Your Councillors also agreed to spend an extra \$250,000 to build on work already undertaken to develop a Regional Growth Strategy for Northland. This strategy is intended to provide a clear vision and strategic direction for sustainably managing the region's growth prospects up to 50 years into the future.

A \$20,000 contribution will also be made to help fund a review of the Waikare Inlet's existing commercial shellfish harvesting classification. If successful, this will help local oyster farmers affected by pollution-related closures to clean up and operate their farms again.

However, despite this extra spending and a comprehensive workload, Regional Council rates will remain very low with 'general rates' expected to increase only about two percent on last year. Regional Council rates overall will total roughly \$2.50 a week, significantly less than those imposed by other local authorities.

A ratepayer in the Whangarei District whose land is worth the District average of \$246,000 will pay just \$135 in Regional Council rates over the next 12 months.

A ratepayer in the Kaipara District whose land is worth the District average of \$265,000 will pay about \$111 in Regional Council rates over the same period. Properties in the Far North District – recently independently revalued by Quotable Value - currently have an average land value of \$304,000, which will see their owners pay about \$111.

The Council plans to collect almost \$10.7M (excluding GST) in total rates revenue across almost 83,000 properties Northland-wide, but once again, returns from our comprehensive investment portfolio will offset by about 40 percent the amount of money that would otherwise have to be collected from rates.

We observed last year that all of Northland’s regional planning documents are in place, offering a clear framework for the sustainable management of the region’s water, soil, air and coast and clearing the way for the Council to address some of the region’s more pressing infrastructural needs. Since then, pleasing progress has been made towards the designation of an Oakleigh to Marsden Pt rail corridor and planning is well-advanced for much-needed and significant improvement to the region’s broadband network. The Regional Council is expending considerable effort to ensure it avoids the errors of the past and creates a broadband penetration in Northland that includes our rural communities.

These projects have involved collaboration with a number of agencies and the Council is keen to see this collaborative approach widened for mutual benefit.

Similarly, the Regional Council would like to see a move towards a consolidated planning framework in Northland, which would arguably be the most significant step taken by the region’s local government sector in almost 20 years.

In a nutshell, the Council’s proposal would involve rolling all of Northland’s existing planning documents (including District and Regional Plans and the region’s Economic Development Strategy) into a single framework. A fundamental platform of the framework is the continued recognition of the unique elements of each of our Districts while reaping the benefit of a common approach and single framework.

A consolidated planning framework would address - in a strategic and planned manner - resource management issues, infrastructural issues, economic issues and growth issues and has the potential to bring about major change in the way local government services are delivered.

It could also simplify Northland’s complex, confusing and overlapping planning regime, address Resource Management Act compliance costs and reduce overall costs.

Environmentally, water quality will continue to be a key issue for the Council in the next 12 months and we plan to work closely with Northland’s farmers and the dairy industry to ensure ongoing improvements to the standard of farm dairy effluent discharges in the region.

The Council will also once again indicate its commitment to our environment through our Environment Fund, which has provided more than \$1.5 million since 1996 to help people improve and protect Northland’s natural environment.

Lastly, our sincere thanks to the many Northlanders who took the opportunity to comment on the previous draft of this Annual Plan and in particular those who travelled to either Kaeo or Whangarei to speak to their submissions in person.

We look forward to continuing to work closely with our community – and our fellow local authorities – over the next 12 months and assure you that every effort will be made to ensure Northland’s best interests are always at the heart of our decision-making.



Mark Farnsworth
Chairman



Ken Paterson
Chief Executive Officer

Your Regional Councillors



MARK FARNSWORTH, Chairman

Mark Farnsworth has represented the Kaipara constituency since the early 1990s and was elected Council Chairman in October 2001. He has a Master's degree in Geography from Auckland University, a background in forest management and is also a past National President of the New Zealand School Trustees Association. Cr Farnsworth retains a keen interest in education and professional development, is a company director and operates a small management services partnership. He is a Zone One representative on the National Council of Local Government New Zealand

Contact phone: 09 431 5438 E-mail: markf@nrc.govt.nz



IAN WALKER, Deputy Chairman

Ian holds a Master's degree in business and has enjoyed a successful business career across a number of industries. For the last fifteen years he has been involved with his own business interests in farming, horticulture, and retailing. Ian has had a long involvement in rural advocacy in Northland at both local and national level. He is the current Chairman of Farmers of New Zealand Inc., and holds directorships on the Boards of Northport Corporation (NZ) Ltd and Paperplus NZ Ltd.

Contact phone: 09 408 0072 E-mail: ian@nzfarmers.com



JOHN BAIN

John Bain is best-known to most as Chairman of the high-profile air ambulance provider the Northland Emergency Services Trust (NEST). A former 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 20s and is currently in the importing business.

Contact phone: 0274 961 894 E-mail: jbain@internet.co.nz



CRAIG BROWN

Craig Brown is a former Mayor of the Whangarei 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. 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 Whangarei District Council for 12 years, six of them as Mayor. His aim has been to advance the region's economic growth in a sustainable way.

Contact phone: 09 432 7575 E-mail: cae.brown@xtra.co.nz



JOE CARR

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 is 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. For the past three years he has been a Hearing Commissioner and Appeal Negotiator for the Far North District Council.

Contact phone: 09 401 9197 E-mail: carr.clan@farmside.co.nz



LORRAINE HILL

Lorraine Hill, QSM serving her 25th year in local government in the Far North and her fourth term on the Northland Regional Council. She serves on various community committees, is a Community representative for the Ministry of Social Development and is also a member of the Ministerial Advisory Committee for Amateur Fishing.

Contact phone: 09 403 7504 E-mail: lorrainehill8@extra.co.nz



PETER JENSEN

Peter Jensen has represented the Whangarei constituency since 1992. He is a businessman who has been involved in the clothing industry for most of his working life. A former member of the Whangarei City Council, he has served on a number of commercial and community organisations. Cr Jensen is also a member of the Northland District Health Board.

Contact phone: 09 437 6386 E-mail: peterje@clear.net.nz



BILL ROSSITER

Bill Rossiter is serving his fourth term on the Regional Council. He previously served as a Whangarei District Councillor. Cr Rossiter is a Northpower Trustee and until recently was the Road Safety Co-ordinator for RoadSafe Northland. He is active in community organisations, including Rotary. Cr Rossiter is also chairman of the Maunu Children's Health Camp.

Contact phone: 09 437 2807 E-mail: billr@igrin.co.nz

Council Committees

The Chairman, Mark Farnsworth, is an ex officio member of all committees.

Environmental Management Committee

Cr Craig Brown (Chairman), Cr Joe Carr (Deputy Chairman), Cr Mark Farnsworth (ex officio), Cr John Bain, Cr Lorraine Hill, Cr Peter Jensen, Cr Bill Rossiter.

Fiona King	– Far North District Council
Cr Chrichton Christie	– Whangarei District Council
Cr Brian McEwing	– Kaipara District Council
Gerry Brackenbury	– Environmental Interest Groups (nominated by NRC)
Wayne Ward	– Farming Community (nominated by Farmers of New Zealand)
Chris Jenkins	– Department of Conservation
Andrew Warren	– Forest Industry
Mike Kake	– Cultural interests

Regional Land Transport Committee

Cr John Bain (Chairman), Cr Joe Carr (Deputy Chairman), plus 12 appointed members representing the following interests:

Cr Tom Baker	– Far North District Council
Cr Phil Halse	– Whangarei District Council
Cr Richard Alspach	– Kaipara District Council
Peter Kippenberger (or Coralie McDonald)	– Land Transport NZ
Peter Spies (or Tommy Parker)	– Transit NZ
Lynette Stewart	– Northland District Health Board
Jo Douglas	– Enterprise Northland
Gavin Roberts	– Bus & Coach Association of NZ
Steve Westgate	– Environmental Sustainability
Mike Kake	– Cultural interests
John Williamson (or Alan Martin)	– Automobile Association of NZ
Inspector Clifford Paxton	– Safety

Audit and Finance Committee

Cr Peter Jensen (Chairman), Cr John Bain (Deputy Chairman), Cr Mark Farnsworth (ex officio), Cr Ian Walker, Cr Craig Brown, Cr Bill Rossiter.

Hearings Committee

Cr Lorraine Hill (Chairperson), Cr Mark Farnsworth, Cr Craig Brown, Cr Joe Carr, Cr Peter Jensen, Cr John Bain (upon completion of training), Cr Ian Walker.

Any two (or more) of the above Councillors may be appointed by the Committee, (or the Council), to conduct hearings and make decisions on behalf of the Council under the Resource Management Act 1991. The Committee (or the Council) similarly may appoint any individual member/s or other independent person/s as Commissioner/s pursuant to Section 34(1) of the Resource Management Act 1991 (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 on 25 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 Mike Simm (Chairman), Rawson Wright, Andrew Britton, Richard Drake, William Shepherd, Irene Durham and Jane Hindle.

Representation – Other Organisations

Northland Civil Defence Emergency Management Group – Councillor Peter Jensen (Chairman).

Northland Regional Animal Health Committee – Cr Mark Farnsworth.

Zone 1 Local Government New Zealand – Cr Bill Rossiter.

Northland Conservation Board – Cr Craig Brown (observer).

Northland Tourism Development Group – Cr Lorraine Hill.

Ruakaka Sewerage Working Party – Cr Craig Brown.

Advisers

Auditor: Audit New Zealand on behalf of the Auditor-General.

Banker: ASB Bank.
Bank of New Zealand.

Solicitors: Chapman Tripp Sheffield Young, Auckland.
John A Burns, Auckland.
Karenza de Silva, Auckland.
Laurene Holley, Auckland.
John G Walton, Auckland.
Paul Diver, Auckland.
Simpson Grierson, Auckland.
Thomson Wilson, Whangarei.
Webb Ross Johnson, Whangarei.

Funding Impact Statement

(All figures are GST exclusive, unless stated otherwise)

The total estimated operating expenditure for the Northland Regional Council for 2008-2009 is \$21,465,760 compared with \$19,670,254 in 2007-2008 (excluding a one-off capital grant for the Regional Events Centre). The 2008-2009 increase in expenditure is a result of additional projects and activities, coupled with increased general costs. Changes in revenue arise from increases in rates of \$2,039,271, increases in subsidies and user charges of \$694,329 and increases in investment income of \$703,444.

A new rate is proposed to fund specific activities. The Kaeo River Management Rate is proposed to be levied on properties in the Whangaroa Ward to fund the maintenance of river channels from Taupo Bay to Te Ngairu.

The proposed capital expenditure for Council operational and investment assets totals \$6,360,310 consisting of new capital expenditure for 2008-2009 of \$1,599,350 and capital expenditure for 2007-2008 carried forward to 2008-2009 of \$4,760,960. This total capital expenditure includes the cyclical replacement of plant and equipment: \$2,517,929 for information technology; \$145,759 to complete office maintenance; \$233,000 vehicle replacement; \$331,717 operational equipment; \$240,000 for the Awanui River Flood Management Plan; \$50,000 water level recorders; \$47,750 Whangarei Harbour navigational aids; \$2,794,155 for commercial property upgrade.

Operating expenditure will be funded by the sources set out in the Council's Revenue and Financing Policy adopted on 14 June 2006, including amendments adopted on 20 June 2007. The sources include investment income, fees and charges, a minor sum from Government subsidies for transport planning and oil spill planning and management. Rates revenue is calculated to recover the balance of gross expenditure after allowance has been made for the former classes of revenue.

Targeted rates

Pursuant to the Northland Regional Council's rating policies set out on pages 87 to 120 in Volume Two of the Long Term Council Community Plan 2006-2016 adopted in June 2006, rates will be targeted and differentiated in order to direct rate funding to activities suited to either fixed and/or differentiated rates.

Based on the budget approved and adopted on 25 June 2008, the Council resolved to strike the following targeted rates for 2008-2009:

1. Targeted Fixed Environmental Rate for 2008-2009

A fixed, targeted environmental rate differentiated by location and based on the 10 year average capital value of the constituent districts of the Northland Region, to recover the costs of environmental and resource management planning activities. This rate, differentiated by location, is calculated on the total capital value of each constituent district in the Northland region. A differentiated fixed rate per separately used and inhabited part of each property (rating unit) or part property used for separate purposes links better to environmental planning, education, public advice, the public good elements of issuing resource consents, regional advocacy and transport planning where the link to land value is weak. An additional fixed charge of \$2.50 per separately used and inhabited parts of rating units is levied across the Whangarei Constituency to reimburse \$92,000 of the \$100,000 funded from Council reserves in 2007-2008 to fund the dredging of the Hatea Channel. The rate recognised the wider benefit that the Hatea Channel offers to Whangarei residents and business owners and that activities throughout the Hatea catchment contribute to the silting of the channel.

The fixed environmental rate payable in respect of each rating unit in the Kaipara District, and each separately used or inhabited parts of rating units in the Far North and Whangarei Districts of the Northland region, will be levied as follows:

	GST Incl.
Far North constituency	\$48.54
Kaipara constituency	\$57.22
Whangarei constituency	\$59.38

The estimated total environmental rate amounts to \$4,521,148 (GST inclusive) for the 2008-2009 financial year.

2. Targeted Land Management Rate for 2008-2009

A targeted land management rate of \$0.0001866 per dollar (less than 1 cent per dollar) on the land value of each rating unit in the constituent districts of the Northland region to recover the estimated costs of land and river management planning and biosecurity activities including pest control, that have a direct impact on and relationship to land. The Northland community benefits from the protection of forests, the prevention of soil erosion, productive agricultural land and the minimisation of damage by floodwaters and adverse impacts on the quality of natural water.

The uniform targeted land management rate will be levied on the land value of all rateable property in the Northland region based on the district valuation rolls at the close of 30 June.

The estimated total land management rate for 2008-2009 amounts to \$4,216,187 (GST inclusive) or \$18.66 per \$100,000 of land value for each rating unit in the Kaipara District, and each separately used or inhabited parts of rating units in the Far North and Whangarei Districts of the Northland region.

3. Targeted Awanui River Management Rates for 2008-2009

A targeted Awanui River Management Rate for the 2008-2009 year, differentiated by location, use and area of benefit as follows:

	GST Incl.
1. Urban rate class UA (floodplain location) \$116.10 direct benefit plus \$11.61 indirect benefit, total per each separately used or inhabited parts of a rating unit:	\$127.71
2. Urban rate classes UF (higher ground) \$11.61 direct benefit plus \$11.61 indirect benefit, total per rating each separately used or inhabited parts of a rating unit:	\$23.22
3. Commercial differential factor:	3.00
4. Rural rate differentiated by class, \$11.61 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 Kaitaia rating district.	

The rating classifications are illustrated as follows.

Awanui River Management Rates: Description

Class	Description	Rate per Ha/\$ GST Incl.
A1/A2	Maximum benefit; peat basins, low-lying reclaimed tidal land; alluvial land at risk from frequent ponding and flooding.	29.025
B1/B2	High benefit land subject to floodwater flows but not ponding as floods recede.	21.76
C	Moderate benefit; land floods less frequently and water clears quickly.	14.51
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.	1.161

It is expected that the targeted Awanui River Management Rate will provide funding of \$487,620 (GST inclusive) in the 2008-2009 financial year. The revenue sought from each category of rateable land will be as follows:

		Total Revenue \$ GST Incl.
Class A	Rural	86,320
Class B	Rural	66,426
Class C	Rural	25,585
Class F	Rural	23,848
Indirect benefit	Rural	22,141
Urban A		205,614
Urban F		16,371
Commercial differential	Majority Urban	41,316
Total Rate		<u>\$487,620</u>

4. Targeted Kaihu River Management Rates for 2008-2009

A targeted Kaihu River Management Rate for the 2008-2009 and subsequent years, differentiated by location and area of benefit as illustrated applied to each rating unit within Kaihu River management area.

Class	Description	Rate per Ha/\$ GST Incl.
A	Land on the floodplain and side valleys downstream of the Rotu Bottleneck.	\$23.22
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck.	\$11.61
Catchment Rate	Balance of rateable land within the Kaihu River rating area.	\$1.74
Urban Contribution	A contribution from Kaipara District Council instead of a separate rate per property	\$5,160 per annum

		Total Revenue \$ GST Incl.
Class A		26,076
Class B		17,950
Catchment Rate		32,674
Urban Contribution		5,808
		<u>\$82,507</u>

It is proposed that the targeted Kaihu River Management Rate will provide funding of \$82,507 in the 2008-2009 financial year.

5. Targeted Kaeo River Management Rates for 2008-2009

A targeted fixed Kaeo River Management Rate for the 2008-2009 year, set on a uniform basis across all rateable properties within the former Whangaroa Ward (falling between rating rolls 100-199). This rate will be used to provide funding for remedial works to fund ongoing maintenance of river and stream channels from Taupo Bay to Te Ngairi. This work will increase the current level of protection while more comprehensive, catchment-wide and long-term measures are investigated during the 2008-2009 financial year. The fixed Kaeo River Management Rate payable in respect of each separately used or inhabited parts of rating units falling between rating rolls 100 -199, will be levied as follows:

	GST Incl.
Former Whangaroa Ward	\$61.31

It is estimated that this targeted rate will provide funding of \$123,750 (including GST) in the 2008-2009 financial year.

6. Targeted Northland Regional Recreational Facilities Rate for 2008-2009

A targeted fixed Regional Recreational Facilities Rate payable on each rating unit in the Kaipara District and each separately used or inhabited part of each rating unit in the Far North and Whangarei Districts of the Northland region, differentiated by location and targeted to constituent districts as follows:

	GST Incl.
Far North District Council	\$11.25
Kaipara District Council	\$11.25
Whangarei District Council	\$39.38

It is estimated that this targeted rate will provide funding of \$1,965,142 (including GST) in the 2008-2009 financial year.

7. Targeted Regional Infrastructure Rate for 2008-2009

A targeted Regional Infrastructure Rate of \$0.000027 per dollar on the land value of each rating unit in the constituent districts of the Northland Region, to repay loans borrowed to assist development and/or completion of priority infrastructure projects identified in the 2006 Regional Capability Review of Northland infrastructure, beginning with the Marsden Point rail link project.

The uniform targeted Regional Infrastructure Rate will be levied on the land value of all rateable property in the Northland region based on the district valuation roles at the close of 30 June.

The estimated total Regional Infrastructure Rate for 2008-2009 amounts to \$610,058 (including GST) for the 2008-2009 financial year.

Summary

The above seven estimated rates 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 will differ from those used in these calculations.

The same basis for calculating rates has been adopted for the term of this Plan. It should however be noted that the estimates for the medium to 10 year period, including price level changes, may differ from the actual rates to be made in future years and those differences may be material.

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 District, Kaipara District and Whangarei 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 District, Kaipara District and Whangarei District Councils to determine a rating unit within each district.

The following tables show the total rates that different groups of ratepayers in each constituency will incur under this Plan. These are estimates only and the final rate may be more or less than displayed overleaf.

To determine the rates for any property in the Whangarei constituency, refer to the table overleaf. The Land Management Rate is calculated by multiplying the land value by \$0.0001866. The Regional Infrastructure Rate is calculated by multiplying the land value by \$0.000027. The Residential Property Rate is fixed at \$59.38 and the Regional Recreational Facilities Rate is fixed at \$39.38. For instance, a Whangarei residential ratepayer with a capital value of \$250,000 (or more or less) and a land value of \$110,000 will pay a total of \$122.26 as shown overleaf. Similar tables follow for the Kaipara and Far North constituencies.

Ratepayers in the Whangarei District constituency

Whangarei ratepayers will be levied per separately used and inhabited parts of rating units: (1) a fixed Environmental Rate, differentiated by location, based on the 10 year average capital value of the district at 30 June, with an additional charge of \$2.82 (GST inclusive) to fund the dredging of the Hatea Channel; (2) a targeted Land Management Rate based on the land value of their property, and (3) a targeted fixed Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property.

Whangarei Urban/Rural/Other

Land Management Rate = LV rate in the \$ = \$0.0001866
 Infrastructure Rate = LV rate in the \$ = \$0.0000270

	Land Value \$	2008-2009 Rates \$
Residential property, fixed rate		59.38
Targeted Land Management Rate	110,000	20.53
Targeted Regional Recreational Facilities Rate		39.38
Targeted Regional Infrastructure Rate		2.97
Total Regional Rates		\$122.26

Whangarei Urban/Rural

Land Value \$

	Land Value \$	2008-2009 Rates \$
Residential property, fixed rate		59.38
Targeted Land Management Rate	225,000	41.99
Targeted Regional Recreational Facilities Rate		39.38
Targeted Regional Infrastructure Rate		6.08
Total Regional Rates		\$146.83

Farm property, fixed rate		59.38
Targeted Land Management Rate	2,750,000	513.15
Targeted Regional Recreational Facilities Rate		39.38
Targeted Regional Infrastructure Rate		74.25
Total Regional Rates		\$686.16

Commercial property, fixed rate		59.38
Targeted Land Management Rate	2,000,000	373.20
Targeted Regional Recreational Facilities Rate		39.38
Targeted Regional Infrastructure Rate		54.00
Total Regional Rates		\$525.96

Ratepayers in the Kaipara constituency

Kaipara ratepayers will be levied (1) a fixed Environmental Rate per rating unit, based on the 10 year average capital value of the district at 30 June and differentiated by location; (2) a targeted Land Management Rate based on the land value of the property; (3) a targeted fixed Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property, and (5) the Kaihu River Management Rate, based on land area, and level of benefit to land and rating units.

Kaipara Urban/Rural

Land Management Rate = LV rate in the \$ = \$0.0001866
 Infrastructure Rate = LV rate in the \$ = \$0.0000270

	Land Value \$	2008-2009 Rates \$
Residential property, fixed rate		57.22
Targeted Land Management Rate	55,000	10.26
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		1.49
Total Regional Rates		\$80.22
Residential property, fixed rate		57.22
Targeted Land Management Rate	125,000	23.33
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		3.38
Total Regional Rates		\$95.18
Farm property, fixed rate		57.22
Targeted Land Management Rate	2,000,000	373.20
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		54.00
Total Regional Rates		\$495.67
Commercial property, fixed rate		57.22
Targeted Land Management Rate	900,000	167.94
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		24.30
Total Regional Rates		\$260.71

Property Kaihu River Catchment 10 hectares

	Land Value \$	Class A \$	Class B \$	Class C \$
Fixed rate		57.22	57.22	57.22
Targeted Land Management Rate	100,000	18.66	18.66	18.66
Targeted Regional Recreational Facilities Rate		11.25	11.25	11.25
Targeted Regional Infrastructure Rate		2.70	2.70	2.70
Kaihu River Management Rate		232.20	116.10	17.40
Total Regional Rates		\$322.03	\$205.93	\$107.23

Property Kaihu River Catchment 100 hectares

	Land Value \$	Class A \$	Class B \$	Class C \$
Fixed rate		57.22	57.22	57.22
Targeted Land Management Rate	600,000	111.96	111.96	111.96
Targeted Regional Recreational Facilities Rate		11.25	11.25	11.25
Targeted Regional Infrastructure Rate		16.20	16.20	16.20
Kaihu River Management Rate		2,322.00	1,161.00	174.00
Total Regional Rates		\$2,518.63	\$1,357.63	\$370.63

Ratepayers in the Far North constituency

Far North District ratepayers will be levied per separately used and inhabited parts of rating units: (1) a fixed environmental rate per separately used or inhabited part of a rating unit, differentiated by location in the Northland Region and based on the 10 year average capital value of the District at 30 June; (2) a targeted Land Management Rate based on the land value of the property; (3) a targeted fixed Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property, and (5) the Awanui River Management Rate, classes UA/UF and A to F. All rates include GST.

Far North District

	Land Value \$	Urban UA Low Land \$	Urban UF Hills \$	Commercial * Urban UA \$
Land Management Rate = LV rate in the \$ = \$0.0001866				
Infrastructure Rate = LV rate in the \$ = \$0.0000270				
Urban area (1 hectare or less) Residential & Commercial				
Environmental fixed rate		48.54	48.54	48.54
Targeted Land Management Rate	45,000	8.40	8.40	8.40
Targeted Regional Recreational Facilities Rate		11.25	11.25	11.25
Targeted Regional Infrastructure Rate		1.22	1.22	1.22
Awanui River Management Rate		127.71	23.22	383.13
Total Regional Rates		\$197.12	\$92.63	\$452.54

Lifestyle - 10 hectares

	Land Value \$	Commercial * A \$	Commercial * B \$	Rural Class A \$	Rural Class B \$	Rural Class C \$	Rural Class E \$	Rural Class F \$
Environmental fixed rate		48.54	48.54	48.54	48.54	48.54	48.54	48.54
Targeted Land Management Rate	350,000	65.31	65.31	65.31	65.31	65.31	65.31	65.31
Targeted Regional Recreational Facilities Rate		11.25	11.25	11.25	11.25	11.25	11.25	11.25
Targeted Regional Infrastructure Rate		9.45	9.45	9.45	9.45	9.45	9.45	9.45
Awanui River Management Rate *		905.58	687.63	301.86	229.21	156.71	11.61	23.22
Total Regional Rates		\$1,040.13	\$822.18	\$436.41	\$363.76	\$291.26	\$146.16	\$157.77

Farm property – No commercial differential – 100 hectares

	Land Value \$	Farms outside Awanui Plan \$	Non Farm Com. A & B \$	Farm \$	Farm \$	Farm \$	Farm \$	Farm \$
Environmental fixed rate		48.54	48.54	48.54	48.54	48.54	48.54	48.54
Targeted Land Management Rate	2,750,000	513.15	513.15	513.15	513.15	513.15	513.15	513.15
Targeted Regional Recreational Facilities Rate		11.25	11.25	11.25	11.25	11.25	11.25	11.25
Targeted Regional Infrastructure Rate		74.25	74.25	74.25	74.25	74.25	74.25	74.25
Awanui River Management Rate		0	*Refer below	2,914.11	2,187.61	1,462.61	11.61	127.71
Total Regional Rates		\$647.19	*Refer below	\$3,561.30	\$2,834.80	\$2109.80	\$658.80	\$774.90

* Commercial properties are subject to the 3:1 commercial differential on class UA (\$127.71 including GST), and Rural A (\$29,025 per ha) and B (\$21.76 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.

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

Far North District ratepayers will be levied per separately used and inhabited parts of rating units: (1) a fixed Environmental Rate per separately used or inhabited part of a rating unit, differentiated by location in the Northland Region and based on the 10 year average capital value of the District at 30 June; (2) a targeted Land Management Rate based on the land value of the property; (3) a targeted fixed Regional Recreational Facilities Rate, differentiated by location; (4) a targeted Regional Infrastructure Rate based on the land value of the property, and (5) a targeted Kaeo River Management Rate set on a uniform basis across all properties within the former Whangaroa Ward (rating rolls 100-199).

Far North District

Land Management Rate = LV rate in the \$ = \$0.0001866 Land Value 2008-2009
 Infrastructure Rate = LV rate in the \$ = \$0.0000270 \$ Rates \$

Residential/Commercial/Other

Environmental fixed rate		48.54
Targeted Land Management Rate	110,000	20.53
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		2.97
Targeted Kaeo River Management Rate		61.31
Total Regional Rates		\$144.60

Residential/Commercial/Other

Environmental fixed rate		48.54
Targeted Land Management Rate	225,000	41.99
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		6.08
Targeted Kaeo River Management Rate		61.31
Total Regional Rates		\$169.17

Residential/Commercial/Other

Environmental fixed rate		48.54
Targeted Land Management Rate	2,750,000	513.15
Targeted Regional Recreational Facilities Rate		11.25
Targeted Regional Infrastructure Rate		74.25
Targeted Kaeo River Management Rate		61.31
Total Regional Rates		\$708.50

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 2008-2009. 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 2008				District Valuation Roll Last Year - Values at 30 June 2007			
	Capital Value	Land Value	CV %	LV %	Capital Value	Land Value	CV %	LV %
Far North District	15,650,318	10,427,298	41.91%	46.15%	9,365,641	4,945,783	30.86%	29.35%
Kaipara District	4,890,316	3,126,972	13.10%	13.84%	4,534,378	2,965,938	14.94%	17.60%
Whangarei District	16,802,003	9,040,514	44.99%	40.01%	16,446,497	8,939,737	54.20%	53.05%
Total Valuation - Northland	37,342,637	22,594,784	100.00%	100.00%	30,346,516	16,851,458	100.00%	100.00%

No of rating units (Kaipara) or separately used or inhabited parts of rating units (Others)	Budgeted Rates 2007-2008 (including GST)			Regional Infrastructure (calculated on LV)			Awanui River Management Rate (on area)		Kaihu River Management Rate	Kaero River Management Rate	Total Rates
	Fixed Environmental Rate (calculated on CV)	Land Management (calculated on LV)	Recreational Facilities (fixed)	Fixed Rate per SU/PU	Regional Infrastructure (calculated on LV)	Rural \$	Urban \$	Kaihu River Management Rate	Kaero River Management Rate	Total Rates	
Far North	1,533,891	916,283	363,573	11.25	0.000027¢	217,364	255,136	–	–	3,286,247	
Kaipara	621,848	549,486	121,381	11.25	–	–	–	79,946	–	1,372,661	
Whangarei	1,989,913	1,656,225	1,407,190	39.38	–	–	–	–	–	5,053,328	
Totals	4,145,652	3,121,994	1,892,144			217,364	255,136	79,946		9,712,236	

**Budgeted Rates 2008–2009
(including GST)**

No of rating units (Kaipara) or separately used or inhabited parts of rating units (Others)	Budgeted Rates 2008–2009 (including GST)			Regional Infrastructure (calculated on LV)		Awanui River Management Rate (on area)		Kaihu River Management Rate	Kaero River Management Rate	Total Rates
	Fixed Environmental Rate (calculated on CV)	Land Management (calculated on LV)	Recreational Facilities (fixed)	Fixed Rate per SU/PU	Regional Infrastructure (calculated on LV)	Rural \$	Urban \$	Kaihu River Management Rate	Kaero River Management Rate	Total Rates
Far North	1,663,207	1,945,734	385,425	11.25	0.000027¢	224,319	263,301	–	123,750	4,887,273
Kaipara	676,442	583,493	132,975	11.25	84,428	–	–	82,507	–	1,559,845
Whangarei	2,181,498	1,686,960	1,446,742	39.38	244,094	–	–	–	–	5,559,294
Totals	4,521,148	4,216,187	1,965,142		610,058	224,319	263,301	82,507	123,750	12,006,412

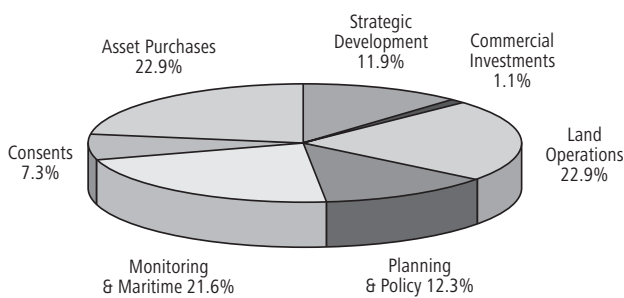
Expenditure and Funding Sources 2008-2009

Reference: Local Government Act 2002, Schedule 10, clause 13.

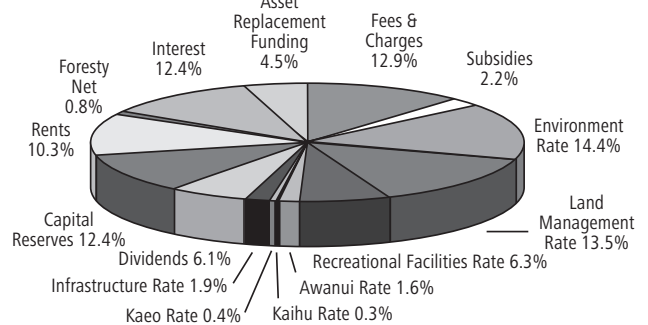
The expected expenditure and funding sources for the term of this Plan are given in the graphs below. For the 2008-2009 year, each dollar of Council gross expenditure will be applied to activities as follows; rates contribute the balance after fees and other income:

- Policy and resource management planning, including land transport planning (12 cents).
- Consents and environmental advice (7 cents).
- Land, emergency and biosecurity management including river control and flood protection (23 cents).
- Environmental and consent compliance monitoring, hazardous substances and harbour safety, navigation, and oil spill contingency planning and management activities (22 cents).
- Council and strategic development (12 cents) and including commercial activities (1 cent), a total of 13 cents.
- Capital purchases (23 cents)
- The cost of all activities includes a component of support services costs (finance, administration and information services).

Gross Cost of Activities and Capital Projects 2008-2009



Sources of Funding for 2008-2009



Capital Projects

The Northland Regional Council has not traditionally undertaken significant works related to community infrastructure, such as roading and water supply. In 2005, the Council assumed responsibility for the restoration, maintenance and ongoing management of the Awanui River management scheme and established a similar scheme for the Kaihu River starting in 2007-2008.

Other capital projects are principally related to the Council's core activities of an environmental authority that operates monitoring activities throughout Northland. For example, the Council has a network of electronic and telemetry rainfall, river level and air quality monitoring devices located across the region. These systems are frequently electronic and integrated to other electronic recording and quality management systems, as well as the transport facilities for undertaking the work. The Council also has responsibility for biosecurity, animal and pest control, and harbour navigation safety. The latter also requires an investment in vehicles and watercraft.

Capital Expenditure

The cost of estimated capital expenditure per group of activities for 2008-2009 financial year, including projects carried forward, is:

Group of Activities:	Finance & Information Systems \$	Council and Strategic Development \$	Commercial \$	Consents \$	Environmental Monitoring \$	Land Operations \$	Planning and Policy \$	Total \$
Buildings & Property *		145,759	2,794,155					2,939,914
Information Systems **	2,517,929							2,517,929
Plant and Equipment ***	13,000	80,000			251,917	307,200	17,350	669,467
Vehicles (net of sales)					233,000			233,000
Total	2,530,929	225,759	2,794,155		484,917	307,200	17,350	6,360,310

Notes

* Includes \$2,939,914 carried forward from 2007-2008 for upgrade of commercial property.

** Information systems includes the cyclical replacement of hardware, generally on a triennial basis and the acquisition of the necessary software licences, (includes capital expenditure carried forward from 2007-2008 of \$1,778,679).

*** Includes \$42,367 carried forward from 2007-2008 for plant and equipment.

The Council will fund its capital expenditure from the sources identified in its Revenue and Financing Policy.

The Council fully funds operating expenditure, including depreciation on the Council's assets. Any budget deficits arising in the medium term are funded from accumulated reserves. The Council's policy is to fund capital expenditure from accumulated cash surpluses arising from the funding of depreciation cost by way of a charge to current rates. If for any capital project those accumulated cash surpluses are insufficient, then the application of reserve funds outlined in the Revenue and Financing Policy will be applied targeted rates made to cover capital works in river management plans.

Reserves

Reserve funds may be applied to fund expenditure for specific purposes. In some circumstances the reserves are a legal requirement. The Council holds the following reserve funds:

Targeted Land Management Rate Reserve

Until 2003, the Council levied works rates based on land values in the Northland region, pursuant to the Northland Regional Council Pest Management Strategies. From 1 July 2003 a targeted land management rate has been applied for biosecurity operations. Any unspent targeted rates at year end are transferred to this reserve. The reserve can only be spent on financing urgent hazard management, civil defence emergency management, biosecurity incursion work and similar.

Forest Income Equalisation Reserve

The Council sets aside half the proceeds of forestry net income each year of the current harvesting strategy. The reserve is intended to provide funds for general operating activities after the harvest rotation has been completed in 2009. This will soften the impact of future rate increases when timber sales cease. The reserve may be applied to the costs of any of the general activities of the Council.

Regional Recreational Facilities Rate Reserve

From 1 July 2006 a targeted fixed Regional Recreational Facilities Rate has been applied. Any unspent rate at year end is transferred to this reserve. The reserve can only be spent on recreational facilities.

Awanui River Management Rate Reserve

From 1 July 2005 a targeted Awanui River Management Rate was set. Any unspent rate at year end is transferred to this reserve. The reserve can only be spent on Awanui River management activities.

Kaihu River Management Rate Reserve

From 1 July 2007 a targeted Kaihu River Management Rate was set. Any unspent rate at year end is transferred to this reserve. The reserve can only be spent on Kaihu River management activities.

Investment Reserve

An investment reserve has been established to enable proceeds from investment activities to be set aside for reinvestment at a future time.

Regional Infrastructure Development Reserve

From 1 July 2008 a targeted Regional Infrastructure Rate will be applied. Any unspent rate at year end is transferred to this reserve. The reserve can only be spent infrastructure projects.

Kaeo River Management Rate Reserve

From 1 July 2008, a targeted Kaeo River Management Rate was set. Any unspent rate at year end is transferred to this reserve. The reserve can only be spent on Kaeo River Management activities.

Overview of Council Groups of Activities

Council Groups of Activities	1. Planning and Policy	2. Consents	3. Environmental Monitoring and Maritime Operations	4. Land Operations	5. Strategic Development	6. Finance and Information Services
Council Activities	<ul style="list-style-type: none"> 1.1 Resource Management Planning 1.2 Public Communication and Education 1.3 Regional Transport Management 1.4 Passenger Services Administration 	<ul style="list-style-type: none"> 2.1 Consents Applications 2.2 Consents Advice and Information 	<ul style="list-style-type: none"> 3.1 State of the Environment Monitoring 3.2 Resource Consent Compliance 3.3 Environmental Incidents Response 3.4 Hazardous Substances and Contaminated Sites 3.5 Oil Pollution Response 3.6 Harbour Safety and Navigation 	<ul style="list-style-type: none"> 4.1 Hazard and Emergency Management 4.2 River Management Works 4.3 Sustainable Land Management 4.4 Biosecurity Management 	<ul style="list-style-type: none"> 5.1 Community Representation and Strategic Planning 5.2 Regional Development 5.3 Commercial Investments Health and Safety* Human Resource Management* 	<ul style="list-style-type: none"> Finance Accounting and Financial Reporting* Rating and Revenue Systems* Financial and Equity Investments* Taxation* Information Services* Records Management and Administration*

* Activity Support Services

Council Groups of Activities

Introduction

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:

- Planning and Policy
- Consents
- Environmental Monitoring and Maritime Operations
- Land Operations
- Strategic Development
- Finance and Information Services

Information is provided on the individual activities and corresponding levels of service that make up each group of activities.

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 2006-2016 apply to this section of the Annual Plan and the 2008-2009 operations of the Council.

The groups of activities section concentrates on identifying major variations or additions to the levels of service outlined in the Northland Community Plan 2006-2016. For your reference, complete details of the levels of service from the Community Plan can be found in Appendix A. Copies of the Northland Community Plan are available from the Council offices or from our website: www.nrc.govt.nz.

Levels of Service – Planning and Policy Group of Activities

Levels of Service for the Planning & Policy Groups of Activities are:

Activity 1.1 Resource Management Planning

The Council will provide clear policy guidance and rules on the sustainable management of Northland's natural and physical resources.

Activity 1.2 Public Communication and Education

The Council will:

- (a) increase public awareness of, responsibility for, and involvement in sustainable environmental management in Northland.
- (b) recognise and support environmental management activities in Northland.

Activity 1.3 Regional Transport Management

The Council will facilitate a strategic approach to regional land transport, and enhanced road safety.

Activity 1.4 Passenger Services Administration

The Council will provide cost effective passenger transport services that meet the needs of local communities and of groups who are transport disadvantaged.

Key variations from the Northland Community Plan 2006-2016

There are no significant variations within this group of activities.

2008-2009 Planning and Policy Levels of Service

1.1 Resource Management Planning

- Continuing to deliver the levels of service outlined in Appendix A on pages 100-101.

In addition the Council intends:

- In anticipation of all Council's agreeing to work together, the Northland Regional Council will undertake an investigation into the feasibility of integrating regional and district plans into a single resource management planning document for Northland. This will result in a more simple, streamlined process for the public, whilst retaining each Council's individual planning requirements.
- The Council proposes to collaborate with the relevant district councils, New Zealand Police, and the Department of Conservation to develop an improved approach to managing vehicles on beaches in priority areas, before commencing a period of public consultation.

1.2 Public Communication and Education

- Continuing to deliver the levels of service outlined in Appendix A on pages 101-102.

1.3 Regional Transport Management

- Continuing to deliver the levels of service outlined in Appendix A on page 104.

1.4 Passenger Services Administration

- Continuing to deliver the levels of service outlined in Appendix A on page 105.

In addition the Council intends:

- In accordance with the requirements of the Land Transport Act 2003, the Council has prepared a 2008-2009 Annual Regional Land Transport Programme for public consultation as part of the 2008-2009 Annual Plan. See pages 47-49 of the Plan for more details.

You can view a copy of the Northland Community Plan 2006-2016 on our website www.nrc.govt.nz.

Statement of Prospective Financial Performance Planning and Policy Group of Activities

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
Expenditure - Policy and Planning				
Resource Management Planning	1	1,260,471	1,306,432	45,960
Public Communication & Education	1	790,832	540,546	(250,286)
Regional Transport Management	1, 2	487,174	369,949	(117,225)
Passenger Services Administration	1, 3	878,914	753,587	(125,327)
Gross Cost of Group Activities		\$3,417,391	\$2,970,514	\$(446,877)
<i>Funded by</i>				
User Fees & Sundry	4	321,331	249,000	72,331
Grants & Subsidies	4	500,000	324,500	175,500
Targeted Fixed Environmental Rate		1,649,255	1,459,828	189,427
Investment Income		946,805	937,186	9,619
Total Revenue for Group of Activities		\$3,417,391	\$2,970,514	446,877
Proposed Capital Expenditure for 2008-2009		\$12,350	\$12,350	-

Notes

Variations to the 2008-2009 budget of the Northland Community Plan 2006-2016

1. The level of corporate overheads and salaries and wages charged to the Planning and Policy group of activities has increased by \$118,000. The increase is spread over Resource Management Planning, Public Communication and Education and Passenger Services Administration, on the basis of staff time spent working in each activity.
2. A significant part of the increase relates to additional consultancy and printing costs of \$170,000 for the Regional Land Transport Strategy and the Regional Road Safety Plan.
3. The variance relates to increased costs for the Bus Service, this increased cost is offset by increased subsidy and fee revenue.
4. The increase in user fees and subsidy income relates to increased user charges to cover the costs associated with the proposal to expansion of the Whangarei bus service and additional subsidy revenue for the preparation of the Regional Land Transport Strategy.

Levels of Service – Consents Group of Activities

Levels of Service for the Consents Group of Activities are:

Activity 2.1 Consent Applications

The Council will promote individual and community well-being by enabling participation in the processing of consent applications in a way that results in sustainable resource management.

Activity 2.2 Consents Advice and Information

The Council will ensure that the public is better informed and enabled to participate in the processing of consent applications.

Key variations from the Northland Community Plan 2006-2016

Following public consultation in August 2007, the Regional Council has decided to transfer its new Building Consent Authority function for dams to the Waikato Regional Council. All eight regional councils in the North Island have also adopted this approach, due to it being the most cost effective way of accessing the technical knowledge required to fulfil this function. However, delays in the issue of regulations and accreditation process requirements have meant that the transfer of function is now not likely to come into effect until June 2008.

There are no significant variations within this group of activities.

2008-2009 Consents Levels of Service

2.1 Consent Applications

- Continuing to follow the statutory and time requirements for processing resource consents as detailed in the levels of service outlined in Appendix A on page 106.

2.2 Consents Advice and Information

- Continuing to provide advice in a way that results in no justifiable complaints against the accuracy and timeliness of the advice given as detailed in the levels of service outlined in Appendix A on page 106.

You can view a copy of the Northland Community Plan 2006-2016 on our website: www.nrc.govt.nz.

Statement of Prospective Financial Performance Consents Group of Activities

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
<i>Expenditure - Consents</i>				
Consents Applications	1	1,380,352	1,112,739	(267,613)
Consents Advice and Information	1	660,593	967,879	307,286
Gross Cost of Group Activities		\$2,040,945	\$2,080,618	\$39,673
<i>Funded by</i>				
User Fees & Sundry		680,869	679,900	969
Targeted Fixed Environmental Rate		471,216	428,820	42,396
Investment Income		888,861	971,897	(83,036)
Total Revenue for Group of Activities		\$2,040,945	\$2,080,617	\$(39,672)
Proposed Capital Expenditure for 2008-2009		–	–	–

Notes

Variations to the 2008-2009 budget of the Northland Community Plan 2006-2016

- The basis for allocating labour costs and corporate overheads has been amended in the Annual Plan to more closely reflect time spent by staff working in each activity. The reduction in the gross cost of the Consents group of activities is due to a decrease in the level of corporate overheads and salaries and wages of \$(77,000). These decreases have been offset by increased expenditure for contractors and casual staff, increased consultancy expenditure and other insignificant increases across general expenditure categories of \$38,000.

Levels of Service – Environmental Monitoring and Maritime Operations Group of Activities

Levels of service for the Environmental Monitoring and Maritime Operations group of activities are:

Activity 3.1 State of the Environment Monitoring

The Council will promote sustainable resource management by identifying significant environmental issues and trends in the region and providing for informed decision-making.

Activity 3.2 Resource Consent Compliance

The Council will promote the sustainable management of resources and minimise the adverse effects of people's use of the environment by ensuring compliance with resource consents, Regional Plans and statutory environment standards.

Activity 3.3 Environmental Incidents Response

The Council will minimise the adverse effects on the environment of incidents and non-compliance with the Resource Management Act.

Activity 3.4 Hazardous Substances and Contaminated Sites

The Council will reduce the quantities of hazardous substances, hazardous wastes entering Northland's environment, and minimise the adverse effects of these.

Activity 3.5 Oil Pollution Response

The Council will minimise the adverse effects of marine oil spills on the Northland environment.

Activity 3.6 Harbour Safety and Navigation

The Council will provide services that promote safe navigation and use of Northland harbours.

Key variations from the Northland Community Plan 2006-2016

Navigation Safety Bylaw Update

The Navigation, Water Transport and Maritime Safety Bylaw Charges 2007 have been updated to reflect the increased costs associated with the regulation of navigation safety in Northland.

Further details can be found on pages 50-54 of this Plan.

Funding of the Hatea River Channel Works

Based on the work carried out by the Hatea River Channel Working Group comprised of the Northland Regional Council, the Whangarei District Council and user group representatives, Council intends to levy:

A combination of a rate over an identified area of exacerbation or benefit, and channel user charges levied against owners of vessel moorings, berthing and slipping structures, be adopted to fund the current and future dredging of the Hatea River Channel and the provision of aids to navigation.

Council also intends to increase the Fixed Environmental Rate by \$2.82 (GST inclusive) per rating unit for the Whangarei constituency in order to contribute towards the reimbursement of the \$100,000 from Council reserves used for the dredging component of the project. The rate recognises

the wider benefit that the Hatea River channel offers to Whangarei residents and business owners and that activities throughout the Hatea catchment contribute to the silting of the channel. The small size of the amount to be collected means that the relatively high costs of identifying, setting up and collecting a rate from an even more targeted area or catchment of benefit is not cost effective. It is envisaged that this rate will be applied for one year at this stage, although this may change depending on how future maintenance of the channel is to be funded.

Furthermore, Council intends that user charges of \$124,000 be levied over a three year period as detailed below. These charges will be used to move and upgrade aids to navigation, and to reimburse Council reserves for dredging the Hatea Channel. The fees recognise that berth and maritime facility operators will obtain a direct benefit from the Hatea River channel dredging and upgrade project.

The changes to the Charging Policy are as follows:

User charges to assist with the funding of ongoing navigation safety activities on the Hatea River between Victoria Bridge and Main 4. These activities include the provision of additional aids to navigation and dredging of the Hatea Channel, but do not include dredging the Town Basin Marina consented area.

	GST Incl.
(a) Individual berths in the Town Basin, Riverside Drive and Kissing Point Marinas	\$90.00
(b) Individual boatsheds and other structures	\$90.00
(c) All other individual moorings and marina berths in Whangarei Harbour	\$11.25
(d) Large businesses that derive a direct benefit through improved access to their facility	\$900.00
(e) Small businesses that derive a direct benefit through improved access to their facility	\$450.00

More detailed information can be found in the Charging Policy appendix on page 79-98 of this Plan.

There are no other significant variations within this group of activities.

2008-2009 Environmental Monitoring and Maritime Operations Levels of Service

3.1 State of the Environment Monitoring

- Continuing the levels of service outlined in Appendix A on page 107.

In addition, the Council intends:

- To budget \$20,000 to help fund investigations for the review of the harvesting classification of the Waikare Inlet.

3.2 Resource Consent Compliance

- Continuing the levels of service outlined in Appendix A on page 108.

3.3 Environmental Incidents Response

- Continuing the levels of service outlined in Appendix A on page 109.

3.4 Hazardous Substances and Contaminated Sites

- Continuing the levels of service outlined in Appendix A on page 110.

3.5 Oil Pollution Response

- Continuing the levels of service outlined in Appendix A on page 111.

3.6 Harbour Safety and Navigation

- Continuing the levels of service outlined in Appendix A on page 112.

You can view a copy of the Northland Community Plan 2006-2016 on our website: www.nrc.govt.nz.

Statement of Prospective Financial Performance Environmental Monitoring and Maritime Operations Group of Activities

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
Expenditure - Environmental Monitoring				
State of the Environment Monitoring	1	1,594,052	1,697,294	103,242
Resource Consent Compliance	1	1,911,988	1,333,439	(578,549)
Environmental Incidents Response	1	644,624	707,604	62,980
Hazardous Substances and Contaminated Sites	1	399,558	423,213	23,655
Oil Pollution Response	1, 2	473,549	264,561	(208,988)
Harbour Safety & Navigation	1, 3	996,593	1,239,535	242,941
Gross Cost of Group of Activities		\$6,020,363	\$5,665,646	\$(354,717)
<i>Funded by:</i>				
User Fees & Sundry	4	1,796,082	1,591,700	204,382
Grants & Subsidies		119,827	116,300	3,527
Investment Income		3,405,394	2,846,271	559,123
Targeted Fixed Environmental Rate		681,020	1,011,375	(330,355)
Total Revenue for Group of Activities		\$6,002,323	\$5,565,646	\$436,677
Reserve Funding	5	18,040	100,000	(81,960)
Total Funding for Group of Activities		\$6,020,363	\$5,665,646	\$354,717
Proposed Capital Expenditure for 2008-2009		\$447,550	\$388,000	\$(59,550)

Notes

Variations to the 2008-2009 budget of the Northland Community Plan 2006-2016

- The basis for allocating corporate overheads and salaries and wages has been changed in the Annual Plan to more closely reflect time spent by staff working in each activity. The level of corporate overheads, salaries and wages, consultancy, contractors and casual staff across all activities has increased by \$121,000.
- Oil spill control management costs have increased by \$40,000 due to increased fuel and other operating charges.
- Increased expenditure for harbour safety and navigation of \$62,000 relates to expenditure on Whangarei Harbour Navigational aids and increased vessel running costs.
- User Fees revenue is increased due to revised fees and charges.
- This represents the net funding required from Council reserves to fund the Hatea River Channel Works and expenditure on Whangarei Harbour navigational aids. The dredging of the Hatea Channel (\$100,000) was originally budgeted to take place in the 2007-2008 but due to a delay in obtaining resource consents, the expenditure was deferred to 2008-2009. The funding from Council reserves represents the net cost of Hatea River Channel works including the dredging and operational expenditure relating to the Whangarei Harbour navigational aids (\$42,250) less repayment from rates and fees and charges. Rating revenue of \$92,000 is to be collected as part of the targeted Fixed Environmental Rate via a one-off additional fixed charge across the Whangarei Constituency. An additional \$18,040 is to be borrowed from the general reserves for Whangarei Harbour navigation aids to fund the shortfall of the proposed operating expenditure not funded from fees and charges in the current financial year. This along with the proposed capital expenditure of \$47,750 will be repaid from fees and charges over the 2009-2010 and 2010-2011 financial years.

Levels of Service – Land Operations Group of Activities

Levels of service for the Land Operations group of activities are:

Activity 4.1 Hazard and Emergency Management

The Council will work with communities to increase awareness of the hazards which may threaten them, work to avoid or reduce the risks associated with these hazards, respond to major events, and have plans in place to assist in recovering from any emergencies; and work to reduce the level of damage caused by flooding and erosion.

Activity 4.2 River Management Works

The Council will reduce the frequency, depth and duration of flooding by ensuring river systems are maintained, the incidence of streambank erosion is reduced and land uses on flood-susceptible land are sustainable.

Activity 4.3 Sustainable Land Management

The Council will promote the sustainable management of land, including soil, water and ecosystems in the Northland region.

Activity 4.4 Biosecurity Management

The Council will work to reduce the adverse impacts of exotic organisms, pest plants and animal pests on primary production, natural ecosystems and on human health.

Key variations from the Northland Community Plan 2006-2016

Targeted Kaeo River Management Rate

Following the major storm events of 2007, flood damage repair and remedial works will be completed during 2008. There is then be an ongoing need to maintain river channels to reduce flood risk and consequent damage to property in the future.

Council will introduce a new targeted fixed river management rate of \$61.31 (including GST) in the 2008-2009 year, set on a uniform basis across all rateable properties in the former Whangaroa Ward. The rate will apply to all properties falling between the Far North District rating roll numbers 100 to 199, detailed in general terms only on the following map.

This rate will be used to fund ongoing maintenance of river and stream channels from Taupo Bay through to Te Ngairi, including the Kaeo and Pupuke Rivers and other smaller streams draining to the Whangaroa Harbour. This work will increase the current level of protection while more comprehensive, catchment-wide and long-term measures are investigated during the 2008-2009 financial year and a management plan developed. It is anticipated that details of this plan will be included in the Northland Community Plan 2009-2019.

In respect of Kaeo, the proposed rate will fund the management of gravel upstream of the coastal marine area boundary, control of streambank erosion, maintenance of the limited remedial work currently proposed (spillway on Green's, School stopbank, Waikara Creek channel and Mangaiti stopbank and channel), control of weed species within the channel and removal of logs and fallen trees.



In respect of the smaller rivers and streams in the Whangaroa area, work will be required from time to time to help reduce localised flooding and streambank erosion on the following:

- Taupo Bay Stream
- Totara North Streams (2)
- Pupuke River
- Touwai Stream (Matangirau)
- Tauranga Stream (Tauranga Bay)
- Mahinepua Stream
- Wainui Stream
- Te Ngaire Stream

It is expected that the targeted Kaeo River Management Rate will provide funding of \$123,750 (including GST) per annum.

Further details on the rate are included in the Funding Impact Statement on pages 15-27 of this Plan.

There are no other significant variations within this group of activities

2008-2009 Land Operations Levels of Service

4.1 Hazard and Emergency Management

- Continuing the levels of service outlined in Appendix A on page 113.

In addition the Council intends:

River Management Plans

- The Council has identified the top 23 Rivers in Northland that carry the highest level of flood risk as follows:

Awanui	Otaika	Waima
Awapokonui (Pakanae)	Panguru	Waipapa-Kerikeri
Awaroa-Rotokakahi	Pawarenga Streams	Wairau (Maungaturoto)
Hatea	Punakitere-Otaua	Waitangi
Kaeo	Pupuke	Whangarei Heads Streams
Kaihu	Waiarohia-Raumanga	Whangaroa Streams
Kawakawa	Waihou (Panguru)	Whirinaki
Ngunguru	Waihou (Rahiri-Rangiahua)	

Please note: This list is not in order of priority.

The amount of \$800,000 per annum for the next two years will be set aside from the targeted land management rate to fund the development (or update as appropriate), of river management plans for the rivers listed above in order to mitigate future flood risk and damage to property.

Within two years of commencement, the Council intends to complete the river management plans. The Council will then undertake a public process, including consultation with the relevant District Council's and affected communities, over the prioritisation and implementation of the completed plans.

Specific catchment works detailed in the completed river management plans will be funded from a further targeted rate levied on those properties that benefit from the works. No specific catchment works or setting of new rates will occur without full consultation with affected communities.

In addition, the Council intends to review all relevant funding and catchment management policies for public consultation as part of the 2009 Long Term Council Community Plan.

4.2 River Management Works

- Continuing the levels of service outlined in Appendix A on page 114.

4.3 Sustainable Land Management

- Continuing the levels of service outlined in Appendix A on page 115.

4.4 Biosecurity Management

- Continuing the levels of service outlined in Appendix A on pages 116-117.

In addition the Council intends to:

- Accelerate the Council's existing programme to control Manchurian ricegrass outside of the major and contiguous infestations along the Northern Wairoa River and the downstream sections of its major tributaries. The additional costs of funding the accelerated work will be met by the Ministry of Agriculture at no extra cost to Northland ratepayers.

You can view a copy of the Northland Community Plan 2006-2016 on our website: www.nrc.govt.nz.

Statement of Prospective Financial Performance Land Operations Group of Activities

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
Expenditure - Land Operations				
Hazard & Emergency Management	1	2,431,549	1,345,408	(1,086,141)
River Management Works	1, 2, 6	723,159	453,991	(269,168)
Sustainable Land Management	1	1,081,417	1,368,599	287,182
Biosecurity Management	1, 3	2,141,758	2,228,549	86,792
Gross Cost of Group Activities		\$6,377,883	\$5,396,548	\$(981,335)
<i>Funded by</i>				
User Fees & Sundry		260,454	313,000	(52,546)
Grants & Subsidies	4	502,231	10,400	491,831
Targeted Awanui River Management Rate		433,440	420,000	13,440
Targeted Kaihu River Management Rate	5	73,340	100,000	(26,660)
Targeted Kaeo River Management Rate	6, 2	110,000	–	110,000
Targeted Land Management Rate	7, 2	3,747,721	3,010,779	736,942
Investment Income		1,590,696	1,521,669	69,027
Total Revenue for Group of Activities		\$6,717,883	\$5,375,848	\$1,342,035
Reserve Funding	8	(340,000)	20,700	(360,700)
Total Funding for Group of Activities		\$6,377,883	\$5,396,548	\$981,335
Proposed Capital Expenditure for 2008-2009		\$307,200	\$179,300	(127,900)

*Notes***Variations to the 2008-2009 budget of the Northland Community Plan 2006-2016**

1. The basis for allocating labour costs, consultants and corporate overheads has been changed in the Annual Plan to more closely reflect time spent by staff working in each activity. In addition to the variances created as a direct result of correcting the allocation of costs across the Land Operations Group of activities, there has been a net decrease in corporate overheads, salaries and wages and consultancy expenditure of \$(65,000). An additional \$800,000 has been budgeted for the the prioritisation and development of river management plans. In 2007-2008 agreement was reached with the Far North District Council and Central Government to fund \$422,000 of storm damage expenditure for remedial works on the Kaeo River on a one third cost sharing basis. An additional \$282,000 of revenue and corresponding expenditure is included in the budget to represent the funding expected to be received to enable outstanding work to be completed.
2. River management works has increased by \$95,000 for maintenance work on the Kaeo River.
3. Expenditure on pest control, poisons and field work has decreased. This decrease is offset by additional expenditure of \$200,000 to be spent on the eradication of Manchurian Rice grass. This Expenditure on Manchurian Rice grass is funded from the Ministry of Agriculture and Forestry.
4. Grant received from Ministry of Agriculture and Forestry \$200,000 for Machurian Rice grass and \$282,000 from the Far North District Council and Central Government for remedial work on the Kaeo River.
5. The targeted Kaihu River Management Rate is set at a lower level than in the LTCCP as a result of consultation with the community.
6. Proposed targeted Kaeo River Management Rate.
7. Targeted Land Management Rate revenue increase is due to the Council proposing to prioritise flood susceptible land and prepare river management plans.
8. Reserve funding represents \$240,000 from the targeted Awanui River Management Rate, set aside to fund capital expenditure and \$100,000 to be set aside in the Land Management Reserve to provide funding for unexpected emergency events.

Levels of Service – Council and Strategic Development Group of Activities

Levels of Service for the Council and Strategic Development Group of Activities are:

Activity 5.1 Community Representation and Strategic Planning

The Council will ensure community representation through elected Councillors and facilitate long term planning through the creation of the Northland Community Plan, including the identification and monitoring of community outcomes.

Activity 5.2 Regional Development

The Council will promote a vibrant and growing region.

Activity 5.3 Commercial Investments

The Council will endeavour to manage commercial investments to provide reliable cashflows to the Council and ensure that the value of the capital base is maintained.

Key variations from the Northland Community Plan 2006-2016

There are no significant variations within this group of activities.

2008-2009 Strategic Development Levels of Service

5.1 Community Representation and Strategic Planning

- Continuing to deliver the levels of service outlined in Appendix A on page 118.

5.2 Regional Development

- Continuing to deliver the levels of service outlined in Appendix A on page 119.

In addition the Council intends:

- To work with central government and district groups to progress broadband services and other communication technologies in Northland.
- To investigate the options and benefits of increased levels of shared services with the three Northland district councils and external organisations where appropriate.
- To build on work already undertaken to develop a Regional Growth Strategy for Northland. The Strategy will provide a clear vision and strategic direction for sustainably managing the region's future growth prospects.

5.3 Commercial Investments

- Continuing to deliver the levels of service outlined in Appendix A on page 120.

You can view a copy of the Northland Community Plan 2006-2016 on our website: www.nrc.govt.nz.

Statement of Prospective Financial Performance Council and Strategic Development Group of Activities

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
Expenditure - Strategic Development				
Community Representation & Strategic Planning	1	2,334,538	1,589,939	(744,599)
Regional Economic Development	2	967,275	1,677,820	710,546
Commercial Investments		307,365	368,414	61,049
Gross Cost of Group of Activities		3,360,178	3,636,174	26,996
Loan Principal Repayments			470,153	
Total Funding Required		\$3,609,178	\$4,106,327	\$497,149
<i>Funded by:</i>				
User Fees & Sundry		55,776	31,500	(24,276)
Investment Income		465,000	485,949	20,949
Targeted Fixed Environmental Rate		1,217,308	1,173,991	(43,317)
Targeted Regional Infrastructure Rate	3	542,275	-	(542,275)
Net Forestry Revenue	4	450,000	-	(450,000)
Property Rents	5	2,831,375	3,783,974	952,599
Sale of Asset / Gain (Loss)		-	-	-
Targeted Regional Recreational Facilities Rate		1,746,793	1,707,134	(39,659)
Operating Revenue		7,308,527	7,182,548	(125,978)
Reserve Funding	6	(1,896,793)	340,838	2,237,631
Total Funding for Group of Activities		\$5,411,733	\$7,523,386	\$2,111,653
Net Profit allocated to functional departments		\$6,495,123	\$3,417,060	\$(3,078,064)
Proposed Capital Expenditure for 2008-2009		\$80,000	\$30,000	\$(50,000)

Notes

Variations to the 2008-2009 budget of the Northland Community Plan 2006-2016

1. This increase is due to increases in allocation of corporate overheads, salaries and wages, Councillors salaries and consultancy expenditure and other general increases of \$745,000.
2. Expenditure on recreational facilities has decreased by \$1,349,000 in the 2008-2009 Annual Plan, due to a delay in the commencement of construction of the Regional Events Centre, pending the outcome of the final scoping report. All unexpended revenue from the Regional Recreational Facilities Rate is set aside the Recreational Facilities Rate Reserve. Expenditure of \$482,000 is planned to provide funding to the Joint Venture between Council and ONTRACK for the designation of the Marsden Point rail link corridor. Expenditure of \$250,000 is budgeted for the review and development of the Regional Growth Strategy. The basis for allocating the corporate overhead has been reviewed to more closely reflect the current cost drivers; this has resulted in a reduced allocation of corporate overhead of \$155,000 charged to this activity.
3. The 2007-2008 Annual Plan determined a targeted Regional Infrastructure Rate would be set at .000027 cents per dollar on the land value of each rating unit (or \$2.70 per \$100,000 of land value), in the constituent districts of the Northland region.
4. The harvesting of forestry was deferred from 2007-2008.
5. Rent forecasted in 2008-2009 reflects Council's current commercial investment portfolio. The reduced rental against budget is a result of anticipated commercial proposals not eventuating.
6. This funding to reserves is comprised of the funding received from the targeted Regional Recreational Facilities Rate of \$1,747,000, less expenditure to be funded from this rate \$(75,000), plus forest harvest revenue set aside in the Forestry Income Equalisation Reserve of \$225,000.

Levels of Service – Finance and Information Services Group of Activities

Levels of service for the Finance and Information Services group of activities are:

- Finance, accounting and financial reporting
- Rating and revenue systems
- Financial and equity investments
- Taxation
- Information services
- Records management and administration

Statement of Prospective Financial Performance Finance and Information Services Group of Activities

The total costs of Finance and Information Services is allocated as overheads to all functional groups of activities.

Prior to the allocation, the operating costs and revenues are estimated to be:

	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	2008-2009 Variance \$
Total Operating Costs	\$4,466,938	\$4,260,481	\$(206,457)
Proposed Capital Expenditure for 2008-2009	\$752,250	\$752,250	–

Annual Regional Land Transport Programme for 2008-2009

The Northland Regional Council has a key role in regional land transport management, particularly in regard to regional land transport planning and passenger services administration.

This includes preparation of a Regional Land Transport Strategy to guide the development of Northland's transport system to meet current and future transport needs.

Details of the land transport management activities the Regional Council intends to undertake in the 10 year period 2006-2016 are included in the Council's Long Term Council Community Plan, the "Northland Community Plan 2006-2016".

In addition, under the Land Transport Management Act 2003, the Northland Regional Council is required to prepare an Annual Regional Land Transport Programme outlining its proposed regional transport management and passenger services administration activities for the coming financial year. The section you are reading now is the proposed Annual Regional Land Transport Programme for 2008-2009.

Following is a brief outline of the projects proposed to be covered in the 2008-2009 Annual Regional Land Transport Programme. A full schedule of the estimated costs of each of the projects is included later in this section. Unless otherwise stated, these projects will start on 1 July 2008 and continue through to 30 June 2009.

In preparing the annual programme, the Regional Council must now seek and take into account the views of a range of parties, including:

- land transport users and providers
- affected communities
- Maori of the region
- the public.

Hearings were held in conjunction with submissions on the Regional Council's Annual Plan 2008-2009.

Passenger Transport

This activity contributes towards the Land Transport Management Act 2003 objectives of:

- Assisting economic development
- Assisting safety and personal security
- Improving access and mobility
- Protecting and promoting public health
- Ensuring environmental sustainability

i. Whangarei City Bus Service \$998,996 (excluding GST)

Objective: to provide a quality subsidised bus service within the Whangarei urban area.

The Northland Regional Council administers the contract for the Whangarei urban bus service, with funding provided by Land Transport NZ (LTNZ) and the Whangarei District Council (WDC). The funding proposed for 2008-2009 includes operating costs for the service as well as for replacement/upgrading of bus shelters along the urban Whangarei bus route. Further information about services and timetables can be obtained from the NRC website www.nrc.govt.nz or by phoning our offices.

ii. Total Mobility Scheme \$268,438 (excluding GST)

Objective: to provide for the transport disadvantaged within the Whangarei urban area.

The Northland Regional Council administers the Total Mobility Scheme which operates within the Whangarei urban area. Funding for the Scheme is provided by Land Transport NZ and the Whangarei District Council. This Scheme offers a discount of 50% on taxi fares to eligible people with impairments which prevent them from using conventional public transport some or all of the time. The funding proposed for 2008-2009 is to cover the operating costs of the scheme.

Land Transport New Zealand has made provision of \$37,338 at a financial assistance rate of 100% to assist service providers with the conveyance of wheelchair clients.

Further information on criteria for joining the Total Mobility Scheme within Whangarei is available from the Transport Planning Administrator at the Northland Regional Council, phone (09) 438 4639.

Administration & Project Control

This activity contributes towards the Land Transport Management Act 2003 objectives of:

- Assisting economic development
- Assisting safety and personal security
- Improving access and mobility
- Protecting and promoting public health
- Ensuring environmental sustainability

i. Regional Land Transport Planning \$302,000 (excluding GST)

Objective: to maintain a current Regional Land Transport Strategy (RLTS) and administrative systems for its effective implementation.

Under the Land Transport Act 1998, every regional council is required to prepare a Regional Land Transport Strategy and to report annually on the progress in implementing it. The costs associated with this have been included in this programme.

The NRC will tender in the first half of 2008 for a consultant to undertake a review of Northland's RLTS. The review process will commence in July 2008. The intent is to incorporate the finalisation of both the Regional Walking and Cycling Strategy and the Travel Demand Management Strategy, and a review of the Regional Public Passenger Transport Plan (RPTP), (subject to guidelines being released by the Ministry of Transport) all at the same time in conjunction with the RLTS. This will mean considerably reduced consultation time and associated costs for both the public and the Northland Regional Council.

There are also plans to re-write the Regional Road Safety Plan in conjunction with the RoadSafe Northland Forum. The Northland Regional Council is also committed to assisting with the Vehicles on Beaches Campaign to ensure the region's beaches remain safe for all users.

ii. Passenger Services Administration \$219,500 (excluding GST)

Objective: to provide for the effective administration of passenger services in Northland.

This funding category covers the Regional Council's general administration of passenger services in Northland including the registration of new services and the management of the Total Mobility Scheme. Also included in this category is the management and monitoring of the Whangarei Bus Service.

The total Passenger Services Administration programme for the 2008-2009 financial year comes to \$219,500, of which \$109,750 is funded from local rates. The remaining \$109,750 will be funded by Land Transport NZ.

Ten-year funding forecasts for these activities appear on Page 21, Volume Two of the Northland Community Plan 2006-2016.

Consultation

Consistent with the requirements of the Land Transport Management Act 2003, consultation over the 2008-2009 Regional Land Transport Programme has involved:

- Informing relevant local authorities and national stakeholders
- Informing Maori and other stakeholders by letter
- Inclusion of this summary in the Council's Annual Plan 2008-2009 circulated to the Council's Annual Plan database. The Annual Plan is also available to any member of the public on request and is available on the Council's website, www.nrc.govt.nz/annualplan
- Public notification of the draft regional programme in the media
- Calling for submissions and hearing of submissions in conjunction with those on the Draft Annual Plan 2008-2009.

Passenger Services Administration

GST Exclusive

Registration of Passenger Transport Services	\$10,000
Management of Contracts and Monitoring of Services	\$65,000
Provision and Evaluation of data put out to tender	\$10,000
Implementation/Management of database systems	\$ 5,500
Management of Marketing and Promotion Initiatives	\$10,000
RPTP Administration Development, Maintenance & Reporting	\$58,000
Sub Total	\$158,500
LTNZ Share	\$79,250
NRC Share @ 50%	\$79,250

Total Mobility Administration

Total Mobility Administration	\$61,000
Sub Total	\$61,000
LTNZ Share	\$30,500
NRC Share @ 50%	\$30,500

Operational Costs

Cost of Whangarei Bus Service	(LTNZ 50%)	\$770,246
Bus Service Concessions (Provisional)	(LTNZ 50%)	\$100,000
Whangarei Bus Service Shelter Costs	(LTNZ 50%)	\$128,750
Total Mobility Scheme Funding	(LTNZ 40%)	\$231,100
Total Mobility Flat Rate Payment	(LTNZ 100%)	\$ 37,338
Passenger Services Administration	(LTNZ 50%)	\$158,500
Total Mobility Administration	(LTNZ 50%)	\$ 61,000
Sub Total		\$1,486,934
LTNZ Share		\$739,026
Local Share		\$747,908

Amendments to the Navigation, Water Transport and Maritime Safety Bylaw Charges 2007

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 several clauses of the **Navigation, Water Transport and Maritime Safety Bylaw Charges 2007**, adopted in June 2007, 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.

In accordance with the requirements of the Local Government Act 2002, the above processes have been followed in making these amendments and the Bylaw Charges re-adopted.

Reasons for the Amendments

The increase to the fees in clause 7 (a) **Pilotage** is to reflect the increases in compliance, labour and fuel costs associated with the provision of a pilot service for ships visiting the Bay of Islands.

The introduction of a new clause 7 (d) **Shipping - Navigation and Safety Services Fee** is intended for ships visiting Whangaroa Harbour except when the ship is also visiting the Bay of Islands during the same voyage. This fee will be used to assist the Council to maintain and upgrade Whangaroa Harbour aids to navigation. The proposed fee is \$1,000 (GST exclusive) per visit.

It is intended that user charges, in the form of a new clause 10 **Hatea River Channel Fees**, be used to recover the \$100,000 allocated to the Hatea River Dredging project for the moving and upgrading of aids to navigation, being the beacons and lights. The fees recognise that berth and maritime facility operators will obtain a direct benefit from the Hatea River channel dredging and upgrade project. It is intended to recover the \$100,000 over a three-year period.

This bylaw amendment was made pursuant to the bylaw provisions of the Local Government Act for setting fees and charges as mandated by Section 684B(h)(i)-(ii) 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 revised bylaw is as follows:

Navigation, Water Transport and Maritime Safety Bylaw Charges 2008

These bylaws shall be known as the Northland Regional Council Navigation, Water Transport and Maritime Safety Bylaw Charges 2008:

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

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

“**Owner**” includes:

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

3. **Navigation Safety Bylaw Fees**

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

GST Exclusive

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

GST Exclusive

(9) High use structures and jetties, marine-related and more than 300m ² but not more than 1000m ² in plan area within the coastal marine area.	\$1,300.00
(10) High use structures and jetties, marine-related and more than 1,000m ² in plan area within the coastal marine area.	\$2,300.00
(11) High use commercial slipways with a maximum capacity of more than 50 tonnes.	\$2,300.00
(12) Commercial vessels operating in Northland harbours not serviced by a port company, as defined in the Port Companies Act 1988.	
(a) Intra harbour movements between harbours under control of the Council are to be charged half rate out and half rate in at each harbour.	
(b) Butter, skim milk, buttermilk, whole milk powder casein per tonne	\$0.53
(c) Cement, coal, coke, diatomaceous earth, fireclay, kaolin, gypsum glass (sheet or plate) per tonne.	\$1.23
(d) Phosphate rock, sulphur, potash per tonne.	\$1.23
(e) Gravel, shingle, lime rock, lime, dolomite, serpentine rock, clinker, soda ash. Other manures and fertilisers, silica sand (>80% silica) per tonne or m ³ as appropriate.	\$1.00
(f) Meats and fish, fresh, frozen or chilled, other agriculture produce, vegetables, fresh fruit per tonne.	\$0.53
(g) Timber (sawn hewn or in logs) per cubic metre.	\$1.16
(h) Wood chips per BDU. Paper per tonne; wood pulp per tonne.	\$1.16
(i) Bitumen, refining residues, crude oil, naphtha, syngas per 1,000 litres.	\$1.60
(j) Motor spirits, diesel oil, jet fuel, kerosene per 1,000 litres.	\$1.54
(k) Refined oil products for overseas export per 1,000 litres.	\$0.53
(l) Other sand per tonne.	\$0.26
(m) Empty containers.	\$13.18
(n) Motor vehicles and trailers up to 4 tonnes per vehicle.	\$17.77
Over 4 tonnes per vehicle.	\$31.11
(o) Livestock per head.	\$1.00
(13) Where any sum becomes due and owing to the Council pursuant to the provisions of bylaw clause (3)(b)(1) and remains unpaid for a period of one calendar month, the Council may remove and hold the facility until such time as the sum owing is paid, together with any expenses incurred in lifting any pile, mooring or movable facility.	

4. Hot Work Permits

For vessels alongside wharves or at anchor, per permit	68.00
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GST Exclusive

5. Safe Operating Licences

For all Northland harbours, unpowered craft not subject to a maritime rule and available for lease or hire, including: dinghies, kayaks, canoes, aqua-cycles, surf cats or similar commercially available craft, an inspection fee to verify the adequacy of flotation and safety equipment, up to one hour. \$68.00

Where inspection time exceeds one hour, the charge shall be at the rate of \$65.00 per hour plus vehicle running costs at the rates approved from time to time by the Inland Revenue Department.

6. Jet Ski Registration Fees

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

7. (a) Pilotage

(i) Inwards/outwards to wharf, Opua \$3,250.00

(ii) Ships to anchor in Bay of Islands \$3,250.00

(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. \$3,000.00

(c) Shipping – Navigation and Safety Services Fee

Per ship visiting the Bay of Islands when the Master is exempt from compulsory pilotage \$3,000.00

(d) Shipping – Navigation and Safety Services Fee

Per ship visiting Whangaroa Harbour except when the ship is also visiting the Bay of Islands during the same voyage. \$1,000.00

8. Navigation and Safety Services Fee

(a) North Port Ltd \$110,000.00

(b) Swing/pile moorings (non consented) outside Marine 4 Management Areas (in addition to the navigation fee) \$68.00

(c) Swing/pile moorings within Marine 4 Management Areas which meet the permitted activity criteria (in addition to the navigation fee) \$68.00

(d) For water transport operators not serviced by a port company, at actual time and cost.

(e) Where the actual costs on a labour time and plant recovery basis exceed the annual fee, the Council will recover any balance on an actual cost basis.

9. Special Events

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

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|---|----------|
| (a) temporarily suspend the application of Clause 3.2 (Speed of Vessels) in that area during the conduct of the race, speed trial, competition or other organised water activity; and | |
| (b) temporarily reserve the area for the purpose of that activity,
Special Event processing fee | \$120.00 |

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. Hatea River Channel Fees

User charges to assist with the funding of ongoing navigation safety activities on the Hatea River between Victoria Bridge and Main 4. These activities include the provision of additional aids to navigation and dredging of the Hatea Channel, but do not include dredging the Town Basin Marina consented area.

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|--|----------|
| (a) Individual berths in the Town Basin and Riverside Drive Marinas | \$80.00 |
| (b) Individual boatsheds and other structures | \$80.00 |
| (c) Individual marina berths at Kissing Point | \$80.00 |
| (d) All other individual moorings and marina berths in Whangarei Harbour | \$10.00 |
| (e) Large businesses that derive a direct benefit through improved access to their facility. These are consent numbers; 20040629912, 20050860302, 19950746801, 20050557501 and 19990626203 | \$800.00 |
| (f) Small businesses that derive a direct benefit through improved access to their facility. These are consent numbers; 20061639201, 19950770401, 20010917502, 19600643101 and 19600659801 | \$400.00 |

11. All navigation and other fees specified herein are exclusive of Goods and Services Tax.
12. These bylaw fees shall apply for the period 1 July 2008 to 30 June 2009 and will continue to apply until superseded by a subsequent bylaw charge fixed by resolution and publicly notified or by the review required by Section 158 of the Local Government Act 2002.

The bylaws were sealed, publicly notified pursuant to the Local Government Act 2002 and confirmed at a meeting of the Council on 25 June 2008. Following confirmation, the bylaws will come into force on 1 July 2008.

Forecast Financial Statements

Planning Assumptions

Introduction

The proposed financial forecasts set out on the following pages and the summarised costs of significant activities included in this Plan have been prepared in accordance with the accounting policies adopted by the Council where relevant to budget information.

The financial information included in this Plan and other financial information are prospective for the financial forecasts for 2008-2009 year. They are based upon varying assumptions about the conditions that might exist and possible courses of action.

Significant Assumptions

The preparation of the Annual Plan 2008-2009 required the consideration of assumptions about the environmental, economic and political environment and for the activities that the Council intends to undertake during the term of the plan. The key general assumptions used to prepare the plan are:

- The Council will continue to perform its existing functions in accordance with present legislation but must be able to respond to new legislation governing regional activities from time to time.
- Present Crown funding for land transport and oil spill response activities will continue with no significant change.
- A growing public awareness of, and concern for environmental issues and the activities of community groups will influence the Council's decision making.
- The Council will continue to deliver functions and services in accordance with adopted policies, plans and operational strategies on a user-pays basis where practicable.
- Investment returns will continue to be applied across all activities in order to spread the benefit across all Northland ratepayers but this approach may be reviewed in future. Investment income will be applied to the cost of activities before calculating the sum and incidence of rates revenue.
- The Northland Regional Council will increase its focus on the provision of information, advice and education to carry out its statutory obligations. Therefore the development of information technology will continue, to improve the way the Council works.
- The Council will continue to review its ownership and holding in Northland Port Corporation (NZ) Limited but resolved in 2004 to retain a majority interest in the medium term. Irrespective of the future structure of this investment, the financial return is expected to approximate 7.45 cents per share per annum.
- The Council will play an increasing role in developing and administering river management schemes, including undertaking works in liaison with communities and striking targeted differential rates to fund approved schemes.
- The Council will play an increasing role in developing and administering land transport plans.
- There will be no significant changes to the funding, investment and financial management policies of the Council following the adoption of those policies adopted and published in the Long Term Council Community Plan 2006-2016.

The material assumptions which have been made for the purpose of the financial forecasts are:

- That the prospective financial statements are based on forecast price level changes by BERL that were taken into account in the Long Term Council Community Plan adopted in 2006-2007.
- Economic activity and real growth within the region will be consistent with the Reserve Bank forecasts (2-3% per annum).
- That operating revenues, will be generally adequate to meet operating expenditures; investment rents will move with agreed valuations on the renewal of leases and interest income with forecast market conditions announced by the Reserve Bank.
- Any deficits arising from time to time will be appropriately financed in the medium term from reserves held for that purpose.
- The Council's projected expenditures should not be exceeded, provided that no unknown or unexpected contingencies occur.
- Continuing to own equity investments in property and the Northland Port Corporation (NZ) Ltd. Dividend receipts have been forecast at 7.45 cents per share based on the history of ordinary dividends paid by the Port.
- The harvesting strategy for the current forest rotation will end in this 2008-2009 financial year, having being deferred from the 2007-2008 financial year.
- The Council's capital expenditure will be financed from annual depreciation provision, targeted rates and revenue reserves, unless otherwise stated.
- The useful lives of significant assets will be generally consistent with those promulgated by the Inland Revenue Department for tax depreciation purposes, except that the straight-line method has been adopted and economic lives changed where necessary based on Council experience.
- That expenditure incurred as a result of civil or emergency management crises will be funded initially out of the Land Management Reserve and if required, by recourse to the Council's revolving credit facility and Government funding where available.
- That expenditure incurred as a result of the immediately preceding assumption will be managed and funded over the medium term to avoid any unreasonable or sudden increase in rating funding requirements.
- That the prospective financial forecasts and the assumptions upon which they are based may vary from actual results, and are likely to vary significantly during the term of this plan.
- The forecast financial information given on pages 73-78 has been prepared in accordance with accounting policies that have been prepared pursuant to International Financial Reporting Standards (NZ IFRS) as prescribed by the Accounting Standards Review Board for New Zealand public reporting entities for periods commencing 1 January 2007.

Statement of Accounting Policies

Judgements and Estimations

The information in the prospective financial statements is uncertain and the preparation requires the exercise of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or the Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based.

The prospective financial information contained in the Annual Plan is prepared under Section 95 of the Local Government Act 2002. The information may not be suitable for use in another capacity.

Assumptions Underlying Prospective Financial Information

The financial information contained within these policies and documents is prospective financial information in terms of Financial Reporting Standard (FRS) 42; Prospective Financial Statements. The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided in the Northland Regional Council over the financial year 2008-2009, and to provide a broad accountability mechanism of the Council to the community.

The prospective financial information contained in this Annual Plan is based on assumptions, which the Council can reasonably expect to occur.

A. Purpose

These accounting policies are adopted for annual reporting and for prospective financial statements, as applicable.

The financial information contained within the Annual Plan may not be appropriate for purposes, other than those described.

General

The prospective financial statements presented in this Annual Plan are those of the parent entity (the Northland Regional Council) only, as is permitted by the Local Government Act 2002. For reporting actual annual results, these policies apply to the Council's consolidated group.

The Northland Regional Council is a local authority pursuant to the Local Government Act 2002. For the purposes of financial reporting the Northland Regional Council is a public benefit entity.

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

1. Northland Port Corporation (NZ) Ltd and its subsidiaries;
2. Northland Regional Council Community Trust.

Entity Specific

Certain policies do not apply to all entities in the Group while policies that apply to more than one entity, are consistently applied by Group entities, as appropriate.

Statement of Compliance

These forecast financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and comply with New Zealand equivalents to IFRS (NZ IFRS) as appropriate for public benefit entities.

The financial statements incorporated in the Annual Plan have been prepared in compliance with FRS 42; Prospective Financial Statements.

B. Accounting Policies

The accounting policies set out below have been applied consistently to the Council's consolidated financial statements and its prospective financial statements, as appropriate.

Basis of Preparation

The financial statements of Northland Regional Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

These prospective financial statements are for the Northland Regional Council (the Council) as a separate legal entity. Consolidated prospective forecast financial statements comprising the Council and its subsidiaries; Northland Regional Council Community Trust and Northland Port Corporation (NZ) Limited, have not been prepared.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

The financial statements are presented in New Zealand dollars.

The functional currency of Northland Regional Council is New Zealand dollars.

Functional and Presentation Currency: Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These financial statements are presented in New Zealand dollars, which is the Council's and Group's function and presentation currency.

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.

Standards and interpretation issued and not yet adopted: There are no standards, interpretations, and amendments that have been issued, but are not yet effective, that the Council has not yet applied.

Subsidiaries

Northland Regional Council consolidates as subsidiaries in the group financial statements all entities over which the Council may direct the governance policies so as to obtain benefits from the activities of the entity. This power generally exists where Northland Regional Council has an interest of 50 per cent or more of Council controlled organisations or more than one-half of the voting rights of entities incorporated under the Companies Act 1993.

Basis of Consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant inter-entity balances, transactions, income and expenses are eliminated on consolidation.

Northland Regional Council's investments in its subsidiaries are carried at cost in the Council's own "parent entity" financial statements.

Associates

Associates are all entities over which group entities have the significant influence that generally accompanies an interest of between 20% and 50% of the voting rights, and that are neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise Northland Regional Council's share of the surplus or deficit of the associate after the date of acquisition. Northland Regional Council's share of the surplus or deficit of the associate is recognised in the Statement of Financial Performance, and its share of post-acquisition movements in reserves is recognised in the Statement of Changes in Equity. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Northland Regional Council's investments in associates are carried at cost in the Council's own "parent entity" financial statements.

Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Northland Port Corporation is party to several joint venture arrangements. For these jointly controlled operations Northland Regional Council recognises in its financial statements the group's share of the assets, liabilities, revenues and expenses using the proportional consolidation method.

Business combinations prior to the date of transition to NZ IFRS have not been restated retrospectively.

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.

The Land Management Rate Reserve is included in special reserves. It is restricted by law and reflects targeted rates that must be applied to land management and biosecurity activities. Other reserves are established by the Council and may be applied as resolved by the Council.

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. An allowance is made for the stage of completion of the contracts at balance date, based on the actual service provided as a percentage of the total services to be provided.

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

Sale of goods are 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 Northland Regional Council 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.

Expenditure

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.

All other expenditure is recognised when goods and services have been received.

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 arms length transaction, after proper marketing, wherein the parties has 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 Statement of Financial Performance.

The costs to maintain the biological assets are included in the Statement of Financial Performance.

Property, plant and equipment

Property, plant and equipment consists 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.

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

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.

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 retained earnings.

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.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	5-100 years	1-20%
Amenities	5-100 years	1-20%
Forest (Strategic Management Plan)	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.

Revaluation

Northland Regional Council and 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. Those asset classes that are revalued are valued annually on the basis described below. All other asset classes are carried at depreciated historical cost.

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 is not revalued but recorded at cost which in the opinion of the directors approximates fair value.

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

Accounting for revaluations

Revaluations of property, plant and equipment are accounted for on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for the class of asset.

Intangible Assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful lives of the assets. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

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

Computer software	4 years	48%DV
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Capital Projects in Progress

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

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.

Inventories

Inventories (such as stores and materials) held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

Inventories held for distribution at no charge, or for a nominal amount, are stated at lower of cost and current replacement cost. The cost of purchased inventory is determined using the FIFO (first in first out) method. The write down from cost to current replacement cost or net realisable value is recognised in the Statement of Financial Performance.

Trade and Other Receivables

Trade receivables which generally have a 30 day term are recognised initially at fair value with subsequent provision, if required, for doubtful debts. Prepayments comprise of significant items of expenditure having a benefit to more than one accounting period and are written off over the period to which they relate.

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.

Investment property

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

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

After initial recognition, all investment property is measured at fair value as determined annually by Telfer Young (Northland) Ltd who are an independent valuer who hold a recognised and relevant professional qualification and who has recent experience in the location and category of the investment property being valued. 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 Statement of Financial Performance.

Employee Benefits

Short-term benefits

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.

A liability for sick leave is recognised 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 it is anticipated it will be used by staff to cover those future absences.

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 benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring 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.

Trade and Other Payables

Trade and other payables are carried at amortised costs. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are typically unsecured and usually paid within 30 days of recognition.

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. Provisions are not recognised for future operating losses.

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.

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.

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.

Critical accounting estimates and assumptions

In preparing these financial statements estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and 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.

Revisions of accounting estimates are recognised in the periods in which the estimates are revised.

Northland Port Corporation (NZ) Limited

The Northland Regional Council owns 22,795,201 25c shares, being 52.4 per cent of the issued capital of the Northland Port Corporation (NZ) Limited. The shares are recorded at \$8,058,150.25, 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.

Income Tax

The income tax expense charged to the consolidated Statement of Financial Performance 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 substantially 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 profit.

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

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

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the Statement of Financial Performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

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

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on 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.

Financial Assets

Northland Regional Council classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets that are available for sale. The classification depends on the purpose for which the investments were required, policies and practices of management, the relationship with other instruments and the reporting costs and benefits of each designation. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Statement of Financial Performance.

Purchases and sales of investments 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 significantly all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the Statement of Financial Position date. The quoted market price used is the current bid price.

The four categories of financial assets are:

- **Financial assets at fair value through profit and loss**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the Statement of Financial Performance.

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**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. 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 Statement of Financial Performance. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

- **Held to maturity investments**

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains or losses when the asset is impaired or derecognised are recognised in the Statement of Financial Performance.

Currently the Council group does not hold any financial assets in this category.

- **Available-for-sale financial assets**

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories above.

This category encompasses:

- 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 New Zealand International Accounting Standards (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. Included in this category are the Council's investments in Local Authority stocks. Fair value for these investments is provided by First NZ Capital Securities Ltd and is determined by reference to published price quotations in an active market.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the Statement of Financial Performance. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in the Statement of Financial Performance even though the asset has not been derecognised.

On derecognition the cumulative gain or loss previously recognised in equity is recognised in the Statement of Financial Performance.

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 Statement of Financial Performance.

Accounting for derivative financial instruments and hedging activities

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 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 probable forecast transactions (cash flow hedge).

At the inception of a designated hedge transaction the group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and strategy for undertaking the transaction. It 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 hedging derivatives is classified as a non-current 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.

- **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 Statement of Financial Performance.

- **Cash flow hedge**

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity through the Statement of Changes in Equity and the ineffective portion of the gain or loss on the hedging instrument is recognised in the Statement of Financial Performance.

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 equity will be reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss. However, if the Council expects that all or a portion of a loss recognised directly in equity will not be recovered in one or more future periods, it will classify into profit or loss the amount that is not expected to be recovered.

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 directly in equity will be included in the initial cost or carrying amount of the asset or liability.

For cash flow hedges other than those covered above, amounts that had been recognised directly in equity will be recognised in profit or loss in the same period during which the hedged forecast transaction affects profit or loss (for example, when a forecast sale occurs).

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 that remains recognised directly in equity from the period when the hedge was effective will remain separately recognised in equity 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 directly in equity from the period when the hedge was effective will be recognised in the Statement of Financial Performance.

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 of ownership of an asset, whether or not title is eventually transferred.

At inception finance leases are recognised as assets and liabilities on the Statement of Financial Position at the lower of the fair value of the leased property and 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 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.

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 Statement of Financial Performance.

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.

Financial Risk Management Objectives and Policies

The group's principal financial instruments comprise of 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 with arise directly from its operations.

The main risk arising from the group's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk.

Details of the significant accounting policies and methods adopted, included 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 and financial liability are disclosed in the notes to the financial statements.

Financial Instrument Risk

The Northland Regional Council and Northland Regional Council Community Trust have 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 and Northland Regional Council Community Trust have established Borrowing and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

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 and Northland Regional Council Community Trust's exposure to fair value interest rate risk is limited to interest bearing investments within the portfolio.

Northport Corporation (NZ) Ltd has risk from its long-term debt obligations with a floating interest rate. To mitigate this risk, derivative interest rate swap contracts are periodically entered into under which the company is obligated to receive interest at floating rates and to pay interest at fixed rates.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments at variable interest rates expose the Northland Regional Council and Northland Regional Council Community Trust to cash flow interest rate risk.

The policies of the Northland Regional Council and Northland Regional Council Community Trust 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. The Northland Regional Council Community Trust has exposure to foreign exchange risk as a result of the transactions denominated in foreign currencies, arising from normal trading conditions and overseas investments within the investment portfolio. A 1% movement in the exchange rate will expose the Trust to an approximate change in value of the portfolio of \$56,486.

Northport Corporation (NZ) Ltd foreign exchange risk is typically managed through the use of forward foreign exchange contracts.

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.

The Trust's maximum credit exposure relates to investments within the investment portfolio. The portfolio is managed very conservatively regarding credit risk in accordance with the Goldman Sach JB Were revised Statement of Investment Policies and Objectives (SIPO) and in particular paragraph 6.6 of the SIPO, which states "All fixed interest investments must be invested within limits that have been divided into exposures against individual investors and then a total exposure against the credit rating". Limiting exposures against both individual investors and credit rates provides a platform to ensure adequate liquidity within the portfolio.

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.

Northport Corporation (NZ) Limited manages its credit exposure by limiting the amount of funds placed with any one financial institute at any one time.

Accordingly the group has no significant concentrations of credit risk.

Liquidity Risk

Liquidity risk is the risk that the Northland Regional Council and Northland Regional Council Community Trust 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 in the Funding and Financial policies in the Council's LTCCP.

Changes in Accounting Policies

There are no material changes in accounting policies and these policies are consistent with those used in the Long Term Council Community Plan 2006-2016.

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. In accordance with FRS 42, the following information is provided:

- (i) **Description of the nature of the entity's current operations and its principal activities**
The council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this Annual Plan.
- (ii) **Purpose for which the prospective financial statements are prepared**
It is a requirement of the Local Government Act 2002 to present prospective financial statements that span one year and show variances from the Council's LTCCP. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council.
- (iii) **Bases for assumptions, risks and uncertainties**
The financial information has been prepared on the basis of best estimate assumptions as to future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within the LTCCP.
- (iv) **Other disclosures**
The prospective financial statements were authorised for issue for public consultation on 19 March 2008 by the 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.

The prospective financial statements may be amended to reflect any amendments required as a result of public consultation.

Forecast Income Statement

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	Variance \$
OPERATING REVENUE				
Fees and Charges				
Consents		680,869	654,900	25,969
Environmental Monitoring & Maritime Operations	1	1,796,082	1,558,700	237,382
Planning and Policy	2	321,331	187,500	133,831
Total Fees & Charges		2,798,281	2,401,100	397,181
Total Grants and Subsidies	2	1,122,058	451,200	670,858
RATES				
Targeted Fixed Environmental Rate		4,018,798	4,074,014	(55,216)
Targeted Land Management Rate	3	3,747,721	3,010,779	736,942
Targeted Regional Infrastructure Rate	4	542,275	–	542,275
Targeted Awanui River Management Rate		433,440	420,000	13,440
Targeted Kaihu River Management Rate	5	73,340	100,000	(26,660)
Targeted Kaeo River Management Rate	6	110,000	–	110,000
Targeted Regional Recreational Facilities Rate		1,746,793	1,707,134	39,659
		10,672,368	9,311,927	1,360,441
TOTAL OPERATING REVENUE		14,592,708	12,164,227	2,428,481
OTHER INCOME				
Dividends		1,700,000	1,711,441	(11,441)
Forestry Revenue	7	450,000	–	450,000
Interest	8	3,449,976	1,629,471	1,820,505
Rents	9	2,831,375	3,801,974	(970,599)
Sundry Income		323,821	451,000	(127,179)
Sale of Assets/Gain (Loss)		–	–	–
		8,755,173	7,593,886	1,161,287
GROSS REVENUE		23,347,881	19,758,113	3,589,768
LESS EXPENDITURE				
Strategic Development	10	3,301,813	3,267,759	34,054
Consents		2,040,945	2,080,617	(39,672)
Environmental Monitoring & Maritime Operations		6,020,363	5,665,646	354,717
Land Operations	11	6,377,883	5,396,547	981,336
Planning and Policy	12	3,417,391	2,970,515	446,876
TOTAL ACTIVITIES		21,158,395	19,381,084	1,777,311
Commercial		307,365	368,414	(61,049)
GROSS COST OF SERVICES		21,465,760	19,749,498	1,716,262
NET UNADJUSTED SURPLUS/(DEFICIT)		1,882,120	8,615	1,873,505
Unrealised Fair Value Changes		1,303,167	1,303,167	–
NET SURPLUS/(DEFICIT)		3,185,287	1,311,782	1,873,505
Depreciation included in expenditure		1,264,752	1,264,750	2
Interest expense included in expenditure		1,000	782,561	(781,561)

Notes to the Forecast Income Statement

Variations from Northland Community Plan 2006-2016

1. The increase in user fees relates to increases in fees and charges, particularly the pilotage charge and the introduction of charges to contribute towards the costs of providing Whangarei Harbour navigational aids.
2. The increase in fees and charges and subsidies relates to fees and charges and subsidy income being provided to cover the costs associated with the proposal to expand the Whangarei Bus service, additional subsidy income for the preparation of the Regional Land Transport Strategy, funding provided from the Ministry of Agriculture for the management of Manchurian Rice grass and funding from the Far North District Council and Central Government for remedial works on the Kaeo River.
3. The increase in the rate is due to the pressure put on the Council to accurately define flood susceptible land and prepare River Management Plans as a result of unprecedented storm events in recent times. Council is proposing to spend \$800,000 on the preparation of river modelling in the 2008-2009 year.
4. The 2007-2008 Annual Plan determined a targeted Regional Infrastructure Rate would be set at .000027 cents per dollar on the land value of each rating unit (or \$2.70 per \$100,000 of land value), in the constituent districts of the Northland region.
5. The targeted Kaihu River Management Rate is set at a lower level than in the LTCCP as a result of consultation with the community.
6. Proposed targeted Kaeo River Management Rate.
7. The forestry harvest was deferred from 2007-2008 to 2008-2009.
8. Increased investment income is due to larger cash reserves as a result of the Regional Events Centre being put on hold, commercial proposals not eventuating and receiving a special dividend received from Northland Port Corporation (NZ) Limited in November 2007.
9. Decreased rental income is due to anticipated commercial proposals not eventuating. This has resulted in a corresponding increased in cash reserves and investment income.
10. The decrease in expenditure is a result of a reduction in proposed Recreational Facilities expenditure of \$1,349,000. This decreased expenditure is offset by general increases in expenditure and by the proposed contribution towards the Joint Venture established between Council and ONTRACK and expenditure on the review and the development of a regional growth strategy.
11. The increased expenditure is due to \$800,000 additional expenditure on river modelling and \$95,000 expenditure on Kaeo River maintenance, \$200,000 on Manchurian Rice grass management and \$282,000 on remedial works on the Kaeo River.
12. Increased expenditure relates to the costs of the preparing the Regional Land Transport Strategy and increased costs relating expanding the Whangarei bus service.

Forecast Balance Sheet

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	Variance \$
EQUITY				
Accumulated funds		119,308,052	86,650,421	33,657,630
Asset revaluation reserve				
Special reserves		10,263,637	2,574,483	7,689,154
Total Equity attributable to Northland Regional Council		129,571,689	89,224,904	40,346,784
Minority interests in subsidiary companies		–	–	–
TOTAL EQUITY		129,571,689	89,224,904	40,346,784
ASSETS				
Current Assets				
Cash and cash equivalents	1	8,050,376	1,710,695	6,339,681
Trade and other receivables	2	2,366,851	3,005,301	(638,450)
Inventories		138,994	62,707	76,287
Non-current assets held for sale	3	2,041,000	–	2,041,000
Other Financial Assets	4	8,055,132	–	8,055,132
Total Current Assets		20,652,353	4,778,703	15,873,650
Non-Current Assets				
Investment property	5	48,591,001	45,399,099	3,191,902
Investments in subsidiaries and associates	6	20,197,673	19,660,438	537,235
Other investments	7	18,950,097	19,519,477	(569,380)
Property, plant and equipment	8	22,945,694	11,749,942	11,195,752
Biological Assets		1,690,483	1,469,731	220,752
Intangible Assets	9	491,538	1,394,806	(903,268)
Total Non-Current Assets		112,866,486	99,193,493	13,672,994
TOTAL ASSETS		133,518,839	103,972,196	29,546,644
LIABILITIES				
Current Liabilities				
Trade and other payables		2,875,854	2,945,441	(69,587)
Current Portion of public debt	10	–	503,937	(503,937)
Employee benefit liabilities		980,053	796,248	183,805
Total Current Liabilities		3,855,907	4,245,626	(389,719)
Non-Current Liabilities				
Employee benefit liabilities		91,243	122,552	(31,309)
Non current Portion of public debt	10	–	10,379,114	(10,379,114)
Total Non-Current Liabilities		91,243	10,501,666	(10,410,423)
TOTAL LIABILITIES		3,947,150	14,747,292	(10,800,142)
NET ASSETS		129,571,689	89,224,904	40,346,786

Notes to the Forecast Balance Sheet

Variations from Northland Community Plan 2006-2016

1. See notes on Forecast Statement of Cash Flows.
2. Amount owing at end of year has decreased.
3. Reclassification of investment assets available for sale.
4. Short term deposits with maturity dates up to 12 months.
5. Increased value due to annual revaluations and share of property purchased for Marsden Point Rail Link designation via Joint Venture with ONTRACK.
6. Increase in 2005-2006 in the value of the Northland Regional Community Trust.
7. Budgeted investments from previous years did not proceed, funds are held in cash and cash equivalents and other financial assets. Other investments include the loan to the JV established between Council and ONTRACK.
8. Includes the unbudgeted value of the Awanui River flood protection scheme \$(6.9M) transferred in the 2005-2006 financial year from the Far North District Council.
9. Intangible assets relates computer software, the amortised charge is exceeding asset additions.
10. The deferred payment of the one-off grant towards the Regional Events Centre has delayed the requirement to draw down a \$12M loan to contribute towards the grant.

Forecast Statement of Changes in Equity

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	Variance \$
Net surplus/(deficit) for the period		3,185,287	1,311,782	1,873,505
Fair value changes		–	–	–
Other reserve transfers		–	–	–
Total recognised income and expenditure		3,185,287	1,311,782	1,873,505
Plus opening equity		126,386,402	87,913,123	38,473,279
CLOSING EQUITY AT 30 JUNE		129,571,689	89,224,904	40,346,785
<i>Represented by:</i>				
Accumulated Funds				
Opening Balance	1	120,061,730	85,038,640	35,023,090
Net surplus/(deficit)	2	3,185,287	1,311,782	1,873,505
Increases/(decreases) Recreational Facilities Reserve	3	1,671,793	134,301	1,537,492
Increases/(decreases) Awanui River Rate Reserve		–	(24,230)	24,230
Increases/(decreases) Kaihu River Rate Reserve		–	–	–
Increases/(decreases) Investment Reserve		–	–	–
Other increases/(decreases) for the year	4	34,210	189,929	(155,719)
Closing Balance		124,953,020	86,650,421	38,302,599
Forestry Income Equalisation Fund				
Opening Balance		2,504,636	2,249,952	254,684
Increases/(decreases) for the year	5	225,000	(100,000)	325,000
Closing Balance		2,729,636	2,149,952	579,684
Land Management Rates Reserve				
Opening Balance	6	1,789,033	624,531	1,164,502
Increases/(decreases) for the year		100,000	(200,000)	300,000
Closing Balance		1,889,033	424,531	1,464,502
CLOSING RESERVES AT 30 JUNE		129,571,689	89,224,904	40,346,785

Notes

Variations from Northland Community Plan 2006-2016

- Includes vested assets for the Awanui River flood protection scheme, an increase in the value of Council's investment in the Northland Regional Council Community Trust and an unbudgeted revaluation increase in the investment property portfolio.
- Surplus required to fund operations. This surplus includes \$1,303,167 relating to fair value changes on investment property and \$1,671,793 targeted Regional Recreational Facilities Rate taken to reserves due to a delay in the commencement of the Regional Events Centre.
- Targeted Regional Recreational Facilities Rate revenue taken to reserves due to a delay in the commencement of the Regional Events Centre.
- Net repayment to reserves expenditure incurred on the Whangarei Harbour dredging and navigational aids.
- Forestry harvest deferred from 2007-2008.
- Includes unspent targeted Land Management Rates 2005-2006 resulting from additional investment income received.

Forecast Statement of Cash Flows

	Note	2008-2009 Annual Plan \$	2008-2009 LTCCP \$	Variance \$
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash is provided from:</i>				
Receipts from customers	1	6,413,710	6,654,074	(240,364)
Receipts from subsidies and grants	1	629,827	451,200	178,627
Receipts from dividends		1,700,000	1,711,441	(11,441)
Receipts from interest	2	3,449,976	1,629,471	1,820,505
Receipts from rates	3	10,672,368	9,311,927	1,360,441
		22,865,881	19,758,113	3,107,768
<i>Cash is applied to:</i>				
Payments to suppliers and staff	4	19,718,009	17,702,186	2,015,823
Interest payments	5	1,000	782,561	(781,561)
		19,719,009	18,484,748	1,234,261
NET CASH FLOWS FROM OPERATING ACTIVITIES				
		3,146,872	1,273,365	1,873,507
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash is provided from:</i>				
Sale of fixed assets		–	136,000	(136,000)
Sale of investments		–	–	–
		–	136,000	(136,000)
<i>Cash is applied to:</i>				
Purchase of fixed assets	6	6,360,310	1,497,900	4,862,410
		6,360,310	1,497,900	4,862,410
NET CASH FLOWS FROM INVESTING ACTIVITIES				
		(6,360,310)	(1,361,900)	(4,998,410)
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash is applied to:</i>				
Repayment of debt	5	–	470,153	(470,153)
		–	470,153	(470,153)
NET CASH FLOWS FROM FINANCING ACTIVITIES				
		–	(470,153)	470,153
NET INCREASE/(DECREASE) IN CASH HELD				
		(3,213,438)	(558,688)	(2,654,250)
Add opening cash brought forward		10,544,284	2,269,383	8,274,901
CLOSING CASH BALANCE				
		7,330,846	1,710,695	5,620,151

Notes

Variations from Northland Community Plan 2006-2016

1. The increase in receipts specifically relates to funding being provided to cover the costs associated with the proposal to expand the Whangarei bus service and additional subsidy revenue for the preparation of the Regional Land Transport Strategy.
2. Increased interest rates and increased cash investment as a result of property purchases in 2006-2007 not proceeding resulting in reduced rental income and increased interest income.
3. Increased rating revenue from targeted Land Management Rate to fund river modelling and from the introduction of the targeted Regional Infrastructure Rate and targeted Kaeo River Management Rate.
4. Refer to notes on Forecast Income Statement.
5. As a result of the Regional Events Centre being put on hold, debt has not been drawn down.
6. Includes carry forward capital purchases of \$4.8M.

Charging Policy Summary

Resource and User Fees

Pursuant to:

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

1. Introduction

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

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

Additionally, costs are recoverable under the Building Act 2004 for building consents relating to the coastal marine area, the bylaw charging provisions of the Local Government Act 2002, and the Council's Navigation Safety Bylaws. Costs may be also recovered under the authority of the Biosecurity Act 1993, the Local Government Act 2002, and under the Local Government Official Information and Meetings Act 1987.

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

- (i) The Building Act 2004.
- (ii) The Biosecurity Act 1993:
 - Cost recovery schedule for Northland Regional Pest Management Strategy for Nassella Tussock.
- (iii) The Local Government Act 2002:
 - Inspections, investigations and/or environmental incidents.
 - Management charges for laboratory and miscellaneous services.
 - Navigation and safety activities.
 - Inspections of dairy farms operating under the permitted activity rules for discharges to land.
- (iv) The Local Government Official Information and Meetings Act 1987:
 - Information charges.
- (v) The Property Law Act 2007.
- (vi) Navigation Water Transport and Maritime Safety Bylaw Charges.

(vii) The Resource Management Act 1991:

- Application fees for resource consents and certificates of compliance.
- Application fees for preparing or changing a policy statement or plan.
- Resource consent annual management and monitoring charges.
- Additional supervision charges for investigation of potential non-compliances and non-compliance with consent conditions.
- Charges set by regional rules.
- Applications for offsite farms and reviews of deemed coastal permits for marine farms pursuant to the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004.

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

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

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

Discharges to Water (including):

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

Other Water Permits

Discharges to Air

Coastal (including):

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

Land Use Consents

Environmental Incidents

Management charges for labour, laboratory services, supply of information and the Council plant and equipment are detailed in Appendix 16 of Volume Two of the Northland Community Plan 2006-2016. The Council delegates the right to vary these charges to the Department Managers as may be required from time to time (resolved 8 December 2004).

2. General Policies and Principles

2.1 General Principles

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

- **Democratic Process**

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

- **Cost Recovery**

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

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

- **Consistency**

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

- **Equity**

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

- **Simplicity**

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

- **Resource Use**

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

2.2 Time Period

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

2.3 Performance

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

2.4 Remission of Charges

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

2.5 Goods and Services Tax

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

2.6 Debtors

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

2.7 Regulations

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

2.8 General Policies for Charges

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

- (i) The annual charges shall apply from 1 July to the following 30 June each year, or until amended by the Council.
- (ii) Debt collection costs incurred for non-payment or late payment may be recovered from the applicant.
- (iii) Account offset will be considered on merit in situations where the Council is indebted to the same person.
- (iv) Where annual charges are expected to equal or exceed \$1,000 (GST exclusive), the consent holder will 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).
- (v) 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.
- (vi) A minimum fee of \$68.00 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.
- (vii) 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 (vi) and also administrative/monitoring costs incurred as a result of the expiry/surrender of the consent.
- (viii) 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.
- (ix) 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.
- (x) 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.

- (xi) Upon application and the approval of the Chief Executive Officer, all or part of the Council's user charges for structures in the coastal marine area or activities undertaken for the purposes of protecting or enhancing the natural environment, may be remitted where cases of genuine hardship are proved.

3. Application Fees

3.1 Introduction

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

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

Amended or New Charges – to be read in conjunction with existing policy

(A copy of the full Charging Policy is available on request).

2.8 General Policies for Charges

The Council has amended the following clause to remove the penalty charge for late payment.

- (ii) The charge for each consent may be increased by 10%, should payment not be made within 60 days of invoice.

4. Resource Consent Holder Charges

The council has reviewed the following sections within Resource Consent Holder Charges:

4.2 Introduction

Under Section 36(1)(c) of the Resource Management Act, the Council may charge for costs associated with the:

- (a) administration, supervision and monitoring of resource consents; and
- (b) for carrying out its resource management functions under Section 35 of the Act.

Administration covers how the Council records and manages the information it has on the resource consents it grants. The Council is obliged to keep "records of each resource consent granted by it" under Section 35(5)(g) of the Act, which must be "reasonably available [to the public] at its principal office" [Section 35(3)] of the Act. The Council keeps this information on hard copy files and electronic databases. The costs of operating and maintaining these systems are substantial.

The minimum fee recovers some of the costs of the administration of resource consents.

Supervision covers functions that the Council may need to carry out in relation to the ongoing management of resource consents. This can include the granting of approvals to plans and other documentation, review and assessment of self monitoring results provided by the Consent Holder, provision of monitoring information and reports to consent holders, meetings with consent holders relating to consent compliance and monitoring, and participation in liaison and/or peer review groups established under consent conditions or to address issues relating to the exercise of resource consents.

Monitoring is the gathering of information to check consent compliance and to ascertain the environmental effects that arise from the exercise of the resource consents. The Council is obliged to monitor "the exercise of the resource consents that have effect in its region" under Section 35(2)(d) of the Act.

In determining charges under Section 36 of the Resource Management Act, the Council has given consideration to the purpose of the charges and the Council's functions under the Act. It is considered that consent holders have both the privilege of using resources and responsibilities for any related effects on the environment. It is the Council's role to ensure that the level of effects is managed, monitored and is acceptable, in terms of sustainable management and the community's values. The annual charges for the administration, monitoring and supervision of resource consents are based on the assumption that those consents will be complied with and exercised in a responsible manner.

Annual resource consent management charges will be based on a set minimum fee plus, charges for consent supervision and/or monitoring undertaken by Council staff, and where appropriate a portion of costs associated with State of The Environment monitoring of resources used by consent holders, e.g., the costs of running Council's hydrological sites, water quality monitoring networks and associated surveys such as macroinvertebrate and fish monitoring. This particularly applies to water take consents both surface and groundwater and marine farms.

4.2 Annual Charges

4.2.1 Basis of Charges

The charges reflect the nature and scale of consented activities. In general, those activities having greater actual or potential effects on the environment require greater supervision and monitoring from the Council. In setting these charges, the Council has duly considered that their purpose is to recover the reasonable costs in relation to the Council's administration, supervision and monitoring of resource consents and for undertaking its functions under Section 35 of the Resource Management Act. The estimated full costs of the Council's supervision role and planned monitoring of consents will be recovered.

In respect of the Council's administration role a standard minimum annual charge will apply to cover some of the costs of operating and maintaining its consents-related information systems.

Where appropriate, a proportion of the costs of **monitoring the state of the environment** (Section 35(2)(a)) is incorporated in the charge to the consent holder. In such cases, the Council has had particular regard to Section 36(4)(b)(iii), i.e., the extent that the monitoring relates to the likely effects of consent holder's activities or the extent that the likely benefit to consent holders exceeds the likely benefit of the monitoring to the community. The costs to the Council associated with this activity may be shared between consent holders and the community. This recognises that there is value and benefit to the community of work the Council undertakes with respect to monitoring the state of the environment. In the Council's judgement this is a fair and equitable division.

In relation to swing/pile moorings within the Marine 4 Management Areas which meet the permitted activity criteria, the costs of providing Council services will be recovered through the Navigation and Safety Bylaw Charges outlined in Section 10.

In relation to swing/pile moorings outside the Marine 4 Management Areas without consent (non-consented), costs will be recovered through the Navigation and Safety Bylaw until consent is gained. Application for consent must be in accordance with Council's programme for applications.

Under Section 36(1), charges "shall be either specific amounts or determined by reference to scales of charges or other formulae fixed by the (Council)". The Council has fixed charges by all these methods in the past.

Specific amount fees are not often charged for larger activities and the preferred method is to apply the formulae specified in Section 4.2.3 to determine the expected costs of both scale fees and the expected costs of monitoring larger consents as outlined in the appendices.

4.2.3 Large Scale Activities

Consents that do not fall into the classes listed in Section 4.2.2 will be for larger scale activities or activities with high potential adverse effects (estimated 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 will the costs incurred by the Council to carry out those monitoring programmes.

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 = Annual Charge

Labour (standard charge rates includes mileage) per Hour

- | | |
|--|----------|
| • Monitoring Officer Scale 1 | \$65.00 |
| • Monitoring Officer Scale 2 | \$75.00 |
| • Senior Monitoring Officer | \$85.00 |
| • Manager/Harbourmaster/On-Scene Commander | \$135.00 |

Sampling and Testing Costs

- | | |
|------------------|--------------------|
| • Internal Costs | per Clause 2.1-2.7 |
| • External Costs | at cost |

Monitoring Equipment Costs

Generally applied to consents where special equipment has been installed to monitor those consents. For example, hydrometric stations on rivers from which water is taken for irrigation purposes, water quality monitoring sondes and/or automatic sampling equipment.

Administration Fee

Per consent or consent "package"	\$68.00
----------------------------------	---------

State of the Environment Costs

Where appropriate the addition of a specified amount contributing towards the recovery of costs incurred by Council as part of its State of the Environment monitoring.

The estimated monitoring costs are then rounded to an appropriate sum which becomes the expected annual charge. These formulae and the historical cost data of monitoring like consents provides a reasonable estimate of the actual costs of monitoring consents each year and will be used to provide the expected costs of monitoring in the forthcoming years. These expected costs of monitoring are itemised in the fee schedules included in appendices outlined below:

- | | |
|---------------------------------|---------------|
| • Major Industries | (Appendix 9) |
| • Timber Treatment Plants | (Appendix 10) |
| • Major Effluent Discharges | (Appendix 11) |
| • Refuse Landfills | (Appendix 12) |
| • Large Scale Discharges to Air | (Appendix 13) |
| • Major Coastal Activities | (Appendix 14) |
| • Large Scale Water Takes | (Appendix 15) |

4.2.4 Additional Supervision Charges

Introduction

The annual consent charges outlined in Section 4 above are based on the assumption that the consents they relate to will be complied with and exercised in a responsible manner, and recover the cost of work undertaken each year by the Council in the administration, monitoring and supervision of those consents.

The purpose of additional supervision charges is to recover costs of additional supervisory work that is required to be undertaken by Council when people, including consent holders, do not act in accordance with consents or Councils rules relating to resource use.

Additional supervision charges relate to those situations where:

- consent conditions are not being met or adverse effects are resulting from the exercise of a consent; or
- unauthorised activities are being carried out.

Procedure

When 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 abatement notices, infringement notices, enforcement orders or prosecutions.

Calculation

Charges for additional supervision will be calculated on an actual and reasonable basis.

The costs that make up the charge will include:

- labour costs; officers' actual recorded time spent, including travel time, in following up the non-compliance matter or unauthorised activity (charged at the appropriate hourly rate listed in Section 4.2.3); plus
- any sampling and testing costs incurred; plus
- any equipment costs (excluding vehicle running costs) associated with the monitoring of the non-compliance; plus
- any external costs incurred (e.g., external consultants, hire of clean-up equipment).

For consent holders only, no additional supervision charge will be applied where the annual charges for their consents are sufficient to cover the costs incurred in following up their consent non-compliance.

In the case of water takes annual charges are estimated on the basis of normal summer flows and consequently during drier than normal years further monitoring may be required in the form of flow or water level measurements. The costs of this further work will be charged to the consent holder in the form of additionally supervision charges as outlined above.

4.2.5 Invoicing – Non-scale Fees

The majority of large scale activities or activities with high potential adverse effects (where annual monitoring costs exceed \$1,000, GST inclusive) and certain small scale activities such as short term earthworks consents, will be monitored, the results recorded/reported and subsequently invoiced to the consent holder on a cost recoverable basis.

Invoices will be generated once the costs of any work have exceeded a prescribed sum. This will be determined by the scale of the activity. Costs will be invoiced in a timely manner during the progress of the work to ensure that large amounts of costs do not accrue.

In the case of significant water takes charges will generally be invoiced in line with section 4.5 and any further supervision charges will be invoiced on a regular basis as costs are incurred by Council.

4.4 Change in Resource Consent Status

Where any resource consent 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. The annual minimum fee will continue to apply per the Council's general policy 2.8(vi).

For large scale activities where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not on-going, then the associated annual charge will be based on actual and reasonable costs incurred to the date of expiry or surrender, including costs incurred as a result of monitoring and administration activities associated with the expiry or surrender of the consent. The annual minimum fee will continue to apply.

Where a resource consent expires during the course of the year but the activity or use continues and is subject to a replacement process, then the annual charges will continue to apply.

4.5 Timing

Invoicing of consent annual charges will be in the quarter following the adoption of the Long Term Council Community Plan or Annual Plan by the Council or until after monitoring of the consent has been undertaken (post billing).

In some cases, invoicing of charges may be deferred until after the Council has completed all, or a significant portion of its planned monitoring of a consent.

5. Biosecurity Act 1993

6. Local Government Act Charges

The council has reviewed the following sections within Resource Consent Holder Charges:

6.2 Permitted Activity Dairy Shed Effluent Systems – Fees

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

The charges are as follows:

- | | |
|---|--------------------|
| (i) Annual inspection and monitoring fee (all grades), fixed fee | \$113.00 |
| (ii) Second and subsequent visits and inspections, (for non-complying or inadequately treated discharges, grades 4 and 5) * depending which technical officer assigned per charge out rates in Section 6.1. | (per hour) \$65.00 |

* minimum

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

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

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**

The council has introduced the following sections within Fee to consent lessee to a transfer a lease and fee to consent lessee to enter into a sublease:

Pursuant to the general provisions in section 12 of the Local Government Act and section 227 (2) of the Property Law Act 2007, Council can require a charge to cover reasonable legal or other expense of the lessor in giving consent.

The charges are as follows:

(i) transfer or assign the lease	\$135.00
(ii) enter into a sublease	\$135.00

10. Standard Charges under the Building Act 2004**11. Navigation, Water Transport and Maritime Safety Bylaw Charges 2008**

These bylaws shall be known as the Northland Regional Council Navigation, Water Transport and Maritime Safety Bylaw Charges 2008:

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

7. (a) Pilotage	GST Exclusive
(i) Inwards/outwards to wharf, Opua	\$3,250.00
(ii) Ships to anchor in Bay of Islands	\$3,250.00
(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.	\$3,000.00
(c) Shipping – Navigation and Safety Services Fee	
Per ship visiting the Bay of Islands when the Master is exempt from compulsory pilotage.	\$3,000.00
(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

10. Hatea River Channel Fees

User charges to assist with the funding of ongoing navigation safety activities on the Hatea River between Victoria Bridge and Main 4. The activities include the provision of additional aids to navigation and dredging but do not include dredging the Town Basin Marina consented area.

(a) Individual berths in the Town Basin and Riverside Drive Marinas as defined by consent number in Appendix 17, level one charges.	\$80.00
(b) Individual boatsheds and other structures as defined by consent number in Appendix 17, level one charges.	\$80.00

GST Exclusive

- (c) Individual marina berths at Kissing Point as defined by consent number in Appendix 17, level one charges. \$80.00
- (d) All other individual moorings and marina berths in the Whangarei Harbour, including Marsden Cove Marina. \$10.00
- (e) Large businesses that derive a direct benefit through improved access to their facility; as defined by consent number in Appendix 17, level two charges. \$800.00
- (f) Small businesses that derive a direct benefit through improved access to their facility; as defined by consent number in Appendix 17, level three charges \$400.00
- 12.** These bylaw fees shall apply for the period 1 July 2008 to 30 June 2009 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.

These bylaws were made at a meeting of the Council held on 25 June 2008, sealed, and publicly notified pursuant to Sections 83 and 147 of the Local Government Act 2002.

Appendix 1: Resource Consent Minimum Application Fees/Deposits and Consents Staff Hourly Processing Rates

Council has amended consent hourly processing rates

Description	\$ GST Excl.	\$ GST Incl.
Secretarial/ Administration	55.00	51.88
Consents Officer Scale 1	70.00	78.75
Consents Officer Scale 2	80.00	90.00
Consents Officer Scale 3	90.00	101.25
Team Leader Scale 1	90.00	101.25
Team Leader Scale 2	100.00	112.50
Consents Manager	150.00	168.75
Consultants	up to 150.00	up to \$168.75

Appendix 2: Standard Charges under the Building Act 2004

Council has removed clauses relating to building consents, where these applications will now be administered by Waikato Regional Council. Council has added clauses enabling infringement offence notices, enforcement orders or prosecutions to be undertaken as provided for under the Building Act 2007, Building (Infringement Offences, Fees and Forms) Regulations 2007.

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.	(MEC) \$ GST Incl.
All Applications	1000.00	1112.50

Notes: 1. MEC is payable upon application for a PIM/LIM.

2. Final actual and reasonable costs are payable upon uplifting the PIM/LIM.

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.

\$ GST Excl. \$ GST Incl.

3. Requests for Information on Building Consents

Charges will be the actual and reasonable costs.

Note: Payable on uplifting the information.

4. Issue of a Notice to Fix

Minimum Estimated Charge

95.00

106.88

Note: All inspections and other actions necessary to confirm compliance with notice charged at cost and payable on invoice.

5. Action to be Taken in Respect of Buildings Deemed to be Dangerous or Insanitary

Charged at cost.

Note: Payable upon invoice.

6. Inspections

Inspections carried out by Council officers (per hour)

95.00

106.88

Inspections by specialist consultants: charged at cost to Council + 5%

Note: Payable upon completion of inspection and/or prior to the issue of a code compliance certificate.

7. Technical Processing and the exercising of other functions, powers and duties under the Building Act 2004

Carried out by Council officers (per hour)

95.00

106.88

Carried out by specialist consultants: charged at cost to Council + 5%

Note: Payable 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. The Building (Infringement Offences, Fees, and Forms) Regulations 2007 were made by Order-In-Council on 17 December 2007, and come into force on 1 July 2008. Fines are set per the Building (Infringement Offences, Fees and Forms) Regulations 2007 and range from \$250 to \$2000.

Appendix 3: Small to Moderate Scale Water Takes

Charges relating to the State of the Environment Charges have now been included:

Scale of Annual Charges for Consents for Small to Moderate Scale Water Takes

Fee Level	Description/Criteria	Charges \$ GST Excl.	Charges \$ GST Incl.
8	Negligible effect: minor abstraction in plentiful surface resource; low level allocation of a small surface resource; minor abstraction of groundwater; no monitoring (Minimum Fee)	68.00	76.50
10	Minor effect: minor abstraction; moderate level of allocation of a small surface resource; minor abstraction from a fully allocated surface resource with little potential demand; moderate abstraction from groundwater; water use returns	85.00	95.63
12	Moderate effect: minor abstraction from fully allocated surface resource with potential demand; moderate abstraction from a small resource with moderate levels of allocation; major abstraction from groundwater resource; water use returns; resource monitoring by Consent Holder; potential effect on other users; low level monitoring by the Council	110.00	123.75
15	Medium effect – short inspection time: moderate abstraction from a small resource with a high level of allocation; major abstraction from a large plentiful resource; water use returns, resource monitoring by Consent Holder; continuation flow condition(s) requiring occasional monitoring by the Council. Total estimated inspection/flow monitoring, water use record management and reporting of consent compliance between 1½ to < 2 hours	160.00	180.00
19	Medium effect – moderate inspection time: same criteria as Category 4, but total estimated staff time for inspection/flow monitoring, water use record management and reporting of consent compliance between 2 to < 3 hours	210.00	236.25
22	Medium effect – significant inspection time: Total estimated staff time for inspection/flow monitoring, water use record management and reporting of consent compliance between 3 to < 4 hours. Some contribution to Council's hydrometric network where appropriate	260.00	292.50
24	Medium effect – significant inspection time – SOE charges: significant total estimated staff time for inspection/flow monitoring, water use record management and reporting of consent compliance. Contribution to Council's hydrometric network where appropriate. Data benefits consent holder for management and/or replacement of consent	300.00	337.50
26	Medium to high potential effect – SOE charges: Large abstraction total estimated staff time for inspection/flow monitoring, water use record management and reporting of consent compliance is significant > 4 hours. Contribution to Council's hydrometric network data used for compliance purposes and or management of exercise of consent	350.00	393.75

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

Appendix 5: Farm Dairy Effluent Charges

This is a fully revised scale of charges.

Scale of Charges for Consents for Farm Dairy Effluent Discharges

Sampling and testing required where indicated.

Fee Level	Description/Criteria	Charges \$ GST Excl.	Charges \$ GST Incl.
4	Single yearly inspection – (no sampling or testing)	180.00	202.50
4	Single yearly inspection – (single sample only)	222.00	249.75
4	Single yearly inspection – (two samples)	265.00	298.12
4	Single yearly inspection – (three samples)	308.00	346.50
4	Single yearly inspection – (four samples)	350.00	393.75
4	Single yearly inspection – (five samples)	394.00	443.25
4	Single yearly inspection – (six samples)	437.00	491.62

The charge for follow-up inspections for non-complying discharges will be at \$65.00 per hour plus GST, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required.

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

Appendix 6: Coastal Structures (Post Construction or Installation)

The Cable and Pipes charge has been amended:

Fee Level	Description/Criteria	RMA \$ GST Excl.	Navigation & Safety Service Fee \$ GST Excl.	Navigation & Safety \$ GST Excl.	Total Fee \$ GST Excl.	Total Fee \$ GST Incl.
100	Swing moorings, pile moorings, jetty and marina berths (per berth) with consents	68.00		50.00	118.00	132.75
101	Swing/pile moorings (non-consented) outside of the Marine 4 Management Area		68.00	50.00	118.00	132.75
101	Swing/pile moorings within Marine 4 Management Area		68.00	50.00	118.00	132.75
1	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	40.00		50.00	90.00	101.25
1	Marinas comprising more than 75 berths. Navigation fee reverts to \$50.00 if fees are not paid within 60 days (per berth)	–		40.00	40.00	45.00
1	Marinas comprising 24 or more, but less than 75 berths. Navigation fee reverts to \$50.00 if fees not paid within 60 days (per berth)	–		46.00	46.00	51.75

Appendix 6: Coastal Structures (continued)

Fee Level	Description/Criteria	Navigation & Safety		Total Fee \$ GST Excl.	Total Fee \$ GST Incl.
		RMA \$ GST Excl.	Service Fee \$ GST Excl.		
8	Dinghy pulls	68.00	–	68.00	76.50
8	Seawalls and reclamations	68.00	–	68.00	76.50
100	Boat ramps up to 15 m x 4.5 m	68.00	50.00	118.00	132.75
102	Boat ramps/slipways over 15 metres and grids	120.00	50.00	170.00	191.25
103	Boatsheds	205.00	50.00	255.00	286.88
104	Boatsheds with additional berth	235.00	50.00	285.00	320.62
13	Cables and pipes	76.50	–	76.50	86.00
13	Private accommodation in the coastal marine area	125.00	–	125.00	140.63
100	Minor structures not more than 10 m ² in plan area within the coastal marine area (no more than minor environmental effects)	68.00	50.00	118.00	132.75
102	Minor structure and jetties: more than 10 m ² and up to 300 m ² in plan area	120.00	50.00	170.00	191.25
102	Community and boating club structures and jetties, and non-commercial public structures	120.00	50.00	170.00	191.25
105	Marine farms and offsite farms	260.00	50.00	310.00	348.75
18	High use structures and jetties not marine related	200.00	–	200.00	225.00
106	(a) High use structures and jetties, marine-related and not more than 300 m ² in plan area within the coastal marine area, and	200.00	300.00	500.00	562.50
	(b) Slipways with a maximum capacity of not more than 50 tonnes	200.00	300.00	500.00	562.50
115	High use structures and jetties, marine-related, more than 300 m ² but not more than 1,000 m ² in plan area within the coastal marine area	200.00	1,300.00	1,500.00	1,687.50
125	(a) High use structures and jetties, marine-related and not more than 1,000 m ² in plan area within the coastal marine area, and	200.00	2,300.00	2,500.00	2,812.50
	(b) Slipways with a maximum capacity of more than 50 tonnes	200.00	2,300.00	2,500.00	2,812.50

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)

Appendix 8: Land Use Consents for Boating-related Structures in Waters Upstream of the Coastal Marine Area (Post Construction)

This is a fully revised scale of charges:

Fee Level	Description/Criteria	Navigation		Total Fee \$ GST Excl.	Total Fee \$ GST Incl.
		RMA \$ GST Excl.	& Safety \$ GST Excl.		
100	Minor structures and jetties: not more than 10 m ² in plan area.	118		118.00	132.75
102	Jetties and other structures: more than 10 m ² in plan area.	170.00		170.00	191.25

- 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.
 2. Refer to Section 4.2.2 for bases of charges.

Appendix 9: Major Industries

Appendix 10: Timber Treatment Plants

Appendix 11: Major Effluent Discharges or Discharges to Sensitive Receiving Environments

Appendix 12: Refuse Landfills

Appendix 13: Large Scale Discharges to Air

Appendix 14: Major Coastal Activities

Appendix 15: Large Scale Water Takes

This is a fully revised scale of charges:

Water Takes

Consent Holder	Consent No(s)	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
Far North District Council	4369	2,000.00	2,250.00
Whangarei District Council	7398	1,000.00	1,125.00
Kaipara District Council	8032	¹ 600.00	675.00
Whangarei District Council	2960	2,000.00	2,250.00
Fonterra Kauri	3221	² 2,300.00	2,587.50
Whangarei District Council	7404	2,500.00	2,812.50
Mangawhai Golf Club	2344	¹ 600.00	675.00
Kaipara District Council	7582	² 750.00	843.75
Kaipara District Council	8134	² 700.00	787.50
Omana Water Supply	3994	² 1000.00	1125.00
Maungatapere Water Supply Co	4607	² 450.00	506.00
Murphy Prosperity Trust	4715	² 450.00	506.00
North Power	4845	² 750.00	843.75
Kokich & Anderson	4965	² 600.00	675.00
Northern Dairylands Ltd	5004	² 700.00	787.50
A B Kevey & L J Christie	5014	² 450.00	506.25
McBeth Farms Ltd	5021	² 450.00	506.25
Brown Trust Partnership	5022	² 450.00	506.25
Leeuwenburg J A & G M Leewenburg	5027	² 450.00	506.25
The Robert Harding Family Trust	7330	² 700.00	787.50
Whangarei District Council	7405	² 800.00	900.00
Woodbury Farming Ltd	7411	² 800.00	900.00
Burke Farms Ltd	7642	² 600.00	675.00

¹ Includes a charge of \$500 pursuant to Section 36(1)(c) towards the costs of operating NRC SOE groundwater monitoring site (See Section 4.1).

² Includes a charge towards the costs of operating an NRC SOE flow monitoring site (see Section 4.1).

Note: For the basis of charging, refer Section 4.2.3.

Appendix 16: Miscellaneous Management Charges

The Council has reviewed the following clauses within Miscellaneous Management charges:

3.5 Floating Plant – Standard Rates	\$ GST Excl.	\$ GST Incl.
(a) Workboat Hire		
Workboat – Waikare per hour	450.00	506.25
Standby - Waikare per hour	250.00	281.25
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	168.75
Standby – Gemini II per hour	100.00	112.50
5 metre Lazercraft per hour	140.00	157.50
Standby – Lazercraft per hour	90.00	101.25
5.8 metre Inflatable (Tai Ao) per hour	170.00	191.25
Standby – Tai Ao per hour	120.00	135.00

All labour and transport costs incurred in the hire of vessels, are additional and charged at \$65.00 per hour per crew member.

Note: (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.

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.

Appendix 17: Hatea River Channel Fees

Council has established the following scale of charges:

Consent Number	Description	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
Level 1 Fee Scale			
19990615002	Berth between sheds 19 & 20	\$80.00	\$90.000
20020993801	Boat ramp, Limeburners Creek	\$80.00	\$90.000
20050817101	Boat ramp, pontoon etc, Hatea River	\$80.00	\$90.000
20060963701	Boat shed, Pohe Island	\$80.00	\$90.000
20060617001	Boatshed # 1, Kissing Point	\$80.00	\$90.000
20060617701	Boatshed # 10, Kissing Point	\$80.00	\$90.000
20060617801	Boatshed # 11, Kissing Point	\$80.00	\$90.000
20050614801	Boatshed # 17, Riverside Drive	\$80.00	\$90.000
20060617101	Boatshed # 2, Kissing Point	\$80.00	\$90.000
20060617201	Boatshed # 3, Kissing Point	\$80.00	\$90.000
20070557601	Boatshed # 5 & 6, Kissing Point	\$80.00	\$90.000
20060617601	Boatshed # 9, Kissing Point	\$80.00	\$90.000
20020616403	Boatshed #1, Limeburners Creek	\$80.00	\$90.000
20060569601	Boatshed #12a, Kissing Point	\$80.00	\$90.000
20060618001	Boatshed #14, Kissing Point	\$80.00	\$90.000
20060672101	Boatshed #15, Kissing Point	\$80.00	\$90.000
20060672001	Boatshed #16, Kissing Point.	\$80.00	\$90.000
20060671901	Boatshed #17, Kissing Point	\$80.00	\$90.000
20060671801	Boatshed #18 & 18A, Kissing Point	\$80.00	\$90.000
19990615001	Boatshed #19, Riverside Drive	\$80.00	\$90.000
19600616501	Boatshed #2, Limeburners Creek	\$80.00	\$90.000
19600614901	Boatshed #2, Riverside Drive	\$80.00	\$90.000
20060671701	Boatshed #20, Kissing Point	\$80.00	\$90.000
20060671601	Boatshed #21 & 22, Kissing Point	\$80.00	\$90.000
20060671401	Boatshed #23, Kissing Point	\$80.00	\$90.000
20040615602	Boatshed #24, at Riverside Drive	\$80.00	\$90.000
20060671301	Boatshed #24, Kissing Point	\$80.00	\$90.000
20060671201	Boatshed #25, Kissing Point	\$80.00	\$90.000
20060671101	Boatshed #26, Kissing Point	\$80.00	\$90.000
20060671001	Boatshed #27, Kissing Point	\$80.00	\$90.000
20060670901	Boatshed #28, Kissing Point	\$80.00	\$90.000
20060670801	Boatshed #29, Kissing Point	\$80.00	\$90.000
19600616601	Boatshed #3, Limeburners Creek	\$80.00	\$90.000
20060670701	Boatshed #30, Kissing Point	\$80.00	\$90.000
20020615101	Boatshed #5, Riverside Drive	\$80.00	\$90.000
20010615201	Boatshed #6, Riverside Drive	\$80.00	\$90.000
20060617401	Boatshed #7, Kissing Point	\$80.00	\$90.000
20060617501	Boatshed #8, Kissing Point	\$80.00	\$90.000
20070614701	Boatshed berth (jetty and piles), Port Road	\$80.00	\$90.000
20060614601	Boatshed, Pohe Island	\$80.00	\$90.000
20060615901	Boatshed, Pohe Island	\$80.00	\$90.000
20060616001	Boatshed, Pohe Island	\$80.00	\$90.000

Consent Number	Description	Annual Charge \$ GST Excl.	Annual Charge \$ GST Incl.
20060616101	Boatshed, Pohe Island	\$80.00	\$90.000
20060616901	Boatshed, Pohe Island	\$80.00	\$90.000
2005 615401	Boatshed, Riverside Drive	\$80.00	\$90.000
20060615502	Boatshed, Riverside Drive	\$80.00	\$90.000
20010615301	Boatshed, Riverside Drive	\$80.00	\$90.000
20060615701	Boatshed, Riverside Drive	\$80.00	\$90.000
20060615801	Boatshed, Riverside Drive	\$80.00	\$90.000
19600557301	Gangway & pontoon & ramp	\$80.00	\$90.000
20050643801	Jetty and piles, Waiarohia River	\$80.00	\$90.000
19600563001	Jetty, Hatea River.	\$80.00	\$90.000
20010910901	Jetty, Hatea River	\$80.00	\$90.000
19601034201	Jetty, Hatea River	\$80.00	\$90.000
20060660102	Jetty, upper Hatea River	\$80.00	\$90.000
20000889802	Jetty, Upper Hatea River	\$80.00	\$90.000
20050644301	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644302	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644501	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644701	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050954401	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050643901	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644001	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644101	Jetty, Waiarohia Canal	\$80.00	\$90.000
20060644201	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050898701	Jetty, Waiarohia Canal	\$80.00	\$90.000
20070643701	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050809401	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050944101	Jetty, Waiarohia Canal	\$80.00	\$90.000
20050644901	Mooring piles, Waiarohia River	\$80.00	\$90.000
20050865901	Ticket office, deck, landing pontoon, Town Basin	\$80.00	\$90.000
19980527201	Various structures	\$80.00	\$90.000
19960795801	Marinas - Whangarei Town Basin (264 @ \$80 excl. GST)	\$21,120.00	\$23,760.000
20060792601	Marina, jetty, piles and associated consents (24 @ \$80 excl. GST)	\$1,920.00	\$2,160.000
Level 2 Fee Scale			
20040629912	Barge repair berth and boat ramp, Hatea River	\$800.00	\$900.000
20050860302	Dock facilities and a boat ramp	\$800.00	\$900.000
19950746801	Floating dock, Hatea River	\$800.00	\$900.000
20050557501	Slipway, Hatea River	\$800.00	\$900.000
19990626203	Slipway, Hatea River	\$800.00	\$900.000
Level 3 Fee Scale			
20061639201	Pontoon, walkway and piles, Waiarohia Canal	\$400.00	\$450.000
19950770401	Kaituna barge canal	\$400.00	\$450.000
20010917502	Slipway	\$400.00	\$450.000
19600643101	Slipway & Jetty, Waiarohia Canal	\$400.00	\$450.000
19600659801	Slipway, Hatea River	\$400.00	\$450.000

Changes to Council Rating Policy

The Northland territorial authorities collect Northland Regional Council rates on our behalf. In order to minimise collection costs, the Northland Regional Council agreed to harmonise rating policies with the respective territorial authorities. Section 2(f) of the Rating Polices set out in the Northland Community Plan 2006-2016, states:

2(f) Rates collection

The Northland Regional Council's rating resolutions will be consistent with the collection agency agreement reached with all Northland territorial authorities to collect the regional rate, in order to minimise the marginal costs of collection. The dates for payment of instalments of rates shall be as resolved by the Far North District Council, the Kaipara District Council and the Whangarei District Council.

The Far North District Council and the Kaipara District Council have amended their rating policies. These amendments are to take effect in the 2008-2009 financial year. The Rating Policy of the Northland Regional Council must now be amended to ensure the Northland Regional Council rating policies continue to be aligned with the territorial authorities. The amendments are as follows:

– Kaipara District Council – Change to Instalment due dates

To simplify the due date regime, The Kaipara District Council have amended their policy for instalments to reflect one common date for all six instalments. The policy change is for the due dates for all six instalments to become 20 August, October, December, February, April and June. This amends section 5.2 of the Rating Polices set out in the Northland Community Plan 2006-2016.

– Far North District Council – Removal of early payment discount

The Far North District Council has removed the discount for early payment with effect from 30 June 2008, i.e. the early payment discount will not apply in respect of the 2008-2009 rating year and onwards. This amends section 4.17 of the Rating Polices set out in the Northland Community Plan 2006-2016.

APPENDIX A – Levels of Service

Planning and Policy Levels of Service

Activity 1.1: Resource Management Planning

Contribution to Community Outcomes: Resource Management Planning contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the Resource Management Planning activity is to provide clear policy guidance and rules on the sustainable management of Northland’s natural and physical resources.

2007 – 2009 Levels of Service	Performance Targets and Measures
1.1.1 Maintain an operative Regional Policy Statement, Regional Coastal Plan, Regional Water and Soil Plan and Regional Air Quality Plan, including development of implementation strategies.	Actual progress of approved implementation plans are reported on annually.
1.1.2 Undertake an annual review of the implementation of the Regional Policy Statement and plans.	Annual review report to be completed by December each year.
1.1.3 Prepare a report on the efficiency and effectiveness of the policies and methods within the Regional Policy Statement.	Report completed, including an action plan for any improvements identified by 31 August 2006.
1.1.4 Undertake a full review of the Regional Policy Statement commencing in 2009 (10 years after the Regional Policy Statement became operative).	Full review process commenced no later than 30 January 2009.
1.1.5 Complete proposed changes to the Regional Coastal Plan for Northland providing for: <ul style="list-style-type: none"> – improvements to moorings and marinas management (Plan Change 1). – the identification of areas of important conservation value within Whangarei Harbour (Plan Change 2). – improvements to mangrove management (Plan Change 3). – the establishment of aquaculture management areas (Plan Change 4). 	<p>Subject to Environment Court case management scheduling, resolve any appeals on Plan Changes 1, 2 and 3 by 1 July 2007.</p> <p>As above.</p> <p>As above.</p> <p>Subject to Environment Court case management scheduling, resolve any appeals on Plan Change 4 by 1 July 2008.</p>

Planning and Policy Levels of Service

Activity 1.1: Resource Management Planning (continued)

2007 – 2009 Levels of Service	Performance Targets and Measures
1.1.6 Complete proposed changes to the Regional Water and Soil Plan for Northland providing for: <ul style="list-style-type: none"> – improvement to management of water take, use, damming and diversion (Plan Change 1). – improvement to management of discharges, land disturbance, coastal margins and other provisions (Plan Change 2). 	Subject to Environment Court case management scheduling, resolve any appeals on Plan Change 1 by 1 December 2007. Subject to Environment Court case management scheduling, resolve any appeals on Plan Change 2 by 1 December 2008.
1.1.7 Complete proposed changes to the Regional Air Quality Plan for Northland providing for: <ul style="list-style-type: none"> – the Marsden Point Air Quality Management Strategy (Plan Change 1). – improvements to air quality management (Plan Change 2). 	Subject to Environment Court case management scheduling, resolve any appeals on Plan Change 1 by 1 December 2007. Subject to Environment Court case management scheduling, resolve any appeals on Plan Change 2 by 1 July 2009.
1.1.8 Undertake other plan changes as and when required by Council resolution.	Plan changes completed as required and reported on annually. No legal challenges to plan changes due to non-compliance with statutory preparation processes.
1.1.9 Prioritise and develop harbour management plans for specific areas and/or communities where these will improve resource management effectiveness.	Create a prioritised schedule to develop harbour management plans by 1 July 2007. Report on progress against priority schedule annually.
1.1.10 Implement an air quality management strategy for Marsden Point.	Develop an action plan to implement the Marsden Point air quality management strategy by 1 July 2006 and report progress annually.
1.1.11 Assist with funding to improve Maori involvement in resource management decision making including funding of iwi/hapu resource management plans.	Report annually on activities funded.
1.1.12 Provide a contingency fund for expert assessment of applications for outdoor trials or use of genetically modified organisms in Northland as notified by ERMA.	Set aside a fund of \$10,000 annually for expert assessment of notified applications made under HASNO legislation. Report any use of funds annually.

Significant negative effects of Resource Management Planning activities

At this stage there are no known significant negative effects surrounding the Council's planned Resource Management Planning activities.

Planning and Policy Levels of Service

Activity 1.2: Public Communication and Education

Contribution to Community Outcomes: Public Communication and Education contributes mainly to the “Northland’s natural environment is sustainably managed” and “Northland residents are educated and skilled” community outcomes.

Objectives: The objectives of the Public Communication and Education activity are to:

- (a) increase public awareness of, responsibility for, and involvement in sustainable environmental management in Northland.
- (b) recognise and support environmental management activities in Northland.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>The following will be carried out during 2006 – 2009 in accordance with the Council’s Environmental Education Strategy and associated annual programme of events.</p> <p>1.2.1 Provide educational material and opportunities to the general public and sector groups on the importance of wise environmental management.</p>	<p>Exhibits on Council activities are held at five shows and field days each year.</p> <p>Four seminars and workshops on regional environmental matters are held each year.</p> <p>Ensure that at least 50% of the Northland population is aware of and valuing NRC’s role and services.</p>
<p>1.2.2 Provide information to schools about the importance of environmental issues and the role of the Regional Council.</p>	<p>Education information on topical issues is distributed to all Northland schools each year.</p> <p>A minimum of 40 school visits are conducted each year.</p> <p>Two seminars each year are organised for school teachers on Regional Council activities. These seminars include the provision of associated educational resources to the teachers who attend.</p> <p>Organise one Youth Summit each year.</p> <p>Achieve at least an 80% satisfaction level by the users of NRC’s environmental and education programmes.</p>
<p>1.2.3 Keep the Northland public informed of Council issues and activities.</p>	<p>Produce and circulate at least 80 media releases annually.</p> <p>Produce and distribute a quarterly newsletter to all Northland residents.</p> <p>Create and distribute a minimum of 6 publications on environmental issues each year.</p> <p>Continue to promote the Council’s website through all printed publications, radio and print advertising, Council stationery, consultation campaigns and other marketing initiatives.</p>

Planning and Policy Levels of Service

Activity 1.2: Public Communication and Education (continued)

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>1.2.4 Provide support, scholarships or awards in the education sector, as follows:</p> <ul style="list-style-type: none"> – University Masterate students – one Sustainable Management Scholarships. – Northland Polytechnic students – two Environmental Management Scholarships. – Schools Environmental Curriculum Awards. – Assistance for industry based training/skill development such as cadetships and apprenticeship training. 	<p>Scholarships advertised, judged and awarded by 31 March each year.</p> <p>Curriculum awards judged and presented by 30 June each year.</p> <p>Report on assistance provided by 30 June each year.</p>
<p>1.2.5 Recognise, in conjunction with representative groups, good environmental management practices in business, through the presentation of an Environmental Management in Business and Farm Awards.</p>	<p>Business and farm awards to be judged and presented by 30 June each year.</p>

Significant negative effects of Public Communication and Education activities

A significant negative effect on community well-being could occur if the number and/or quality of Council Public Communication and Education activities caused people to lose interest in environmental matters or the Council itself.

Planning and Policy Levels of Service

Activity 1.3: Regional Transport Management

Contribution to Community Outcomes: Regional Transport Management activities contribute mainly to the “Northland’s infrastructure is developed in a sustainable way”, and “Northland is prosperous” community outcomes.

Objective: The objective of the Regional Transport Management activity is to facilitate a strategic approach to regional land transport, and enhanced road safety.

2007 – 2009 Levels of Service		Performance Targets and Measures
1.3.1	Complete the review of the Regional Land Transport Strategy for Northland in 2006.	Regional Land Transport Strategy review processes completed by 30 November 2006.
1.3.2	Undertake next triennial review of the Regional Land Transport Strategy for Northland in 2009.	Regional Land Transport Strategy review processes completed by 30 November 2009.
1.3.3	Complete relevant actions set out in the Regional Land Transport Strategy for Northland (RLTS).	Annual reports on the implementation of the RLTS completed within three months of the end of each financial year.
1.3.4	Complete, in association with the Regional Council’s road safety partners, the road safety projects listed for Northland in the annual New Zealand Safety Administration Programme.	Complete contract with Land Transport NZ, which included details of projects, by 30 November each year. Report monthly on progress with road safety projects.
1.3.5	In conjunction with the New Zealand Police, Land Transport NZ and the Regional Council’s other road safety partners, prepare (and thereafter review annually), a road safety strategy for Northland, to be implemented via an annually prepared road safety action plan.	Complete regional road safety strategy and first action plan by 30 November 2006. Complete annual road safety action plan by 1 December each year.
1.3.6	Undertake an annual review of the Regional Transport Plan, which sets out regional development (forestry) roading priorities for Northland.	Subject to funding confirmation, complete annual review by 30 September each year.
1.3.7	<i>Develop and implement a proposal to designate land for a rail link corridor to Marsden Point and investigate funding options for construction of that link.</i>	<i>Subject to confirmation of funding, initiate the designation process by 30 November 2007.</i>

Words in ***bold italics*** added by an amendment to the LTCCP in June 2007.

Significant negative effects of Regional Transport Management activities

At this stage there are no known significant negative effects surrounding Council’s planned Regional Transport Management activities.

Planning and Policy Levels of Service

Activity 1.4: Passenger Services Administration

Contribution to Community Outcomes: Passenger Services Administration activities contribute mainly to the “Northland’s infrastructure is developed in a sustainable way”, and “Northland has cohesive communities” community outcomes.

Objective: The objective of the Passenger Services Administration activity is to provide cost effective passenger transport services that meet the needs of local communities and of groups who are transport disadvantaged.

2007 – 2009 Levels of Service	Performance Targets and Measures
1.4.1 Administer the long-term contract for the subsidised bus service for the Whangarei urban area.	Monitor and report monthly bus service patronage and revenue against agreed budget limits.
1.4.2 Subject to the confirmation of funding, re-tender the contract for the subsidised Whangarei urban bus service in 2006 including improvements to the existing service.	Re-tendering of contract completed by November 2006.
1.4.3 Administer the Whangarei Total Mobility Scheme.	Monitor and report monthly Whangarei Total Mobility Scheme patronage against agreed budget limits.
1.4.4 Investigate the possibility of extending the Scheme to urban areas outside Whangarei where taxi services may operate.	Complete investigation by 30 June 2007.
1.4.5 Maintain a register of commercial passenger transport services operating in Northland.	Register up to date and available for the public viewing. New service registrations, variations or abandonments reported monthly.

Significant negative effects of Passenger Services Administration activities

At this stage there are no known significant negative effects surrounding Council’s planned Passenger Services Administration activities.

Consents Levels of Service

Activity 2.1: Consent Applications

Contribution to Community Outcomes: The Consent Applications activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the Consent Applications activity is to promote individual and community well-being by enabling participation in the processing of consent applications in a way that results in sustainable resource management.

2007 – 2009 Levels of Service	Performance Targets and Measures
2.1.1 Process all consent applications effectively by ensuring all statutory procedures and time requirements are met in a way that promotes high levels of customer satisfaction with the process.	Processing, hearing and issuing of decisions on consent applications is in accordance with the requirements of the RMA. At least 98% of applications are processed within statutory time lines as indicated by the Council’s consents database. Reduce the number of successful appeals lodged in the Environment Court to no more than five each year. Achieve at least 80% customer satisfaction rate with Council staff’s level of helpfulness in guiding customers through the consent application process.
2.1.2 Resource consents are issued with meaningful, understandable, legally valid and enforceable conditions.	Rate in the top 30% of the Regional Council two-yearly Best Practice Quality Survey.

Significant negative effects of Consent Applications activities

While the granting or refusing of consent applications may be perceived by some as having potentially negative economic effects on affected persons and the applicant, it is considered that the well-being of the regional community as a whole is protected, rather than negatively affected by the Consent Applications activities.

Activity 2.2: Consents Advice and Information

Contribution to Community Outcomes: The Consents Advice and Information activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the Consents Advice and Information activity is to ensure that the public is better informed and enabled to participate in the processing of resource consent applications.

2007 – 2009 Levels of Service	Performance Targets and Measures
2.2.1 Provide advice about consent applications in an accurate and timely way.	No more than five justifiable complaints received each year.

Significant negative effects of Consents Advice and Information activity

At this stage there are no known significant negative effects surrounding Council’s planned Consents Advice and Information activity.

Environmental Monitoring Levels of Service

Activity 3.1: State of the Environment Monitoring

Contribution to Community Outcomes: The State of the Environment Monitoring activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the State of the Environment Monitoring activity is to promote sustainable resource management by identifying significant environmental issues and trends in the region and providing for informed decision-making.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>3.1.1 Continue to implement and improve a prioritised State of the Environment monitoring programme based on the Regional Policy Statement and Regional Plans.</p>	<p>The detail of the state of the environment monitoring programmes can be found on the Council’s website; www.nrc.govt.nz. And will include:</p> <ul style="list-style-type: none"> - Monitoring ambient air quality in line with the priorities of the National Environmental Standard for Air and the Regional Air Quality Plan. - Operating a region-wide hydrometric network for the measurement, recording and reporting of rainfall, river flows, lake, groundwater and tide levels. - Carry out investigations into the water resources of ‘at risk’ aquifers (as per the Regional Water and Soil Plan for Northland). - Operating a region-wide water quality network for the measurement, recording and reporting of river, lake and groundwater quality trends. - Water quality, weed and algae monitoring of Lake Omapere and associated community liaison and advice, including the ongoing development and co-ordination of a lake catchment management plan. - Carrying out sampling and reporting on summer coastal and freshwater bathing water quality. - Carry out a prioritised estuary health monitoring programme. - Supporting and contributing to the development and implementation of coastal hazard management strategies, by the collection and provision of coastal hazard and processes information and advice to the communities of affected areas. - Promote and support community based ‘coast care’ projects such as the Hokianga Harbour Foreshore Restoration Society’s Coastal Hazard Management Strategy. - Reporting to the Council annually on environmental monitoring activities within three months of the end of the financial year. SOE monitoring programmes and findings are reported annually on the Council’s website www.nrc.govt.nz. <p>Much of this work is ongoing and long term and continues through the whole three years of this planning period.</p>

Significant negative effects of State of the Environment Monitoring activities

At this stage there are no known significant negative effects surrounding the Council’s planned State of the Environment Monitoring activities.

Environmental Monitoring Levels of Service

Activity 3.2: Resource Consent Compliance

Contribution to Community Outcomes: Resource Consent Compliance activities contribute mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the Resource Consent Compliance activities is to promote the sustainable management of resources and minimise the adverse effects of people’s use of the environment by ensuring compliance with resource consents, Regional Plans and statutory environment standards.

2007 – 2009 Levels of Service	Performance Targets and Measures
3.2.1 Monitor compliance with, and the effects of, the exercise of resource consents.	<p>All resource consents will have a monitoring programme documented on the Council’s consent monitoring database and monitoring events will be carried out, documented and reported as per the programmes. The monitoring will be undertaken in line with the Council’s ISO accredited management systems, which are internally and externally audited. The monitoring will include:</p> <ul style="list-style-type: none"> – Emission testing and/or appropriate off-site monitoring of major industrial discharges to the air. – Effluent and receiving water quality testing of sewage, industrial and landfill discharges. – Collecting water use records and measuring stream flows, groundwater and lake levels associated with significant water abstractions. – Inspecting land clearance, earthworks, and river works that are the subject of resource consents. – Inspecting significant coastal structures and works, marine farms and carrying out surveys of the coast where there is sand mining activity. – Inspecting all boat moorings over a three-year cycle 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. – Taking appropriate enforcement action in cases of significant noncompliance with statutory requirements. – Recording the results of monitoring undertaken and reporting it and any follow-up action to the following month’s Council meeting and to consent holders.
3.2.2 To monitor and enforce compliance with farm dairy effluent discharge standards.	<p>Inspecting all farm dairy effluent treatment and discharge systems annually, record inspection details and report these to the farmers responsible.</p> <p>Testing effluent and receiving water quality annually for systems with resource consents to discharge to water bodies if they are discharging to water at the time of inspection.</p> <p>Follow up on all non-complying systems, requiring maintenance or upgrades when needed within the season of non-compliance.</p> <p>A summary of the findings, follow-up action taken, including enforcement, is reported to the Council monthly.</p>

Significant negative effects of Resource Consent Compliance activities

While carrying out resource consent compliance, monitoring and enforcement may be perceived to have a possible negative economic effect on consent holders and those who infringe, it is considered that the well-being of the regional community as a whole is protected, rather than adversely affected by this activity.

Environmental Monitoring Levels of Service

Activity 3.3: Environmental Incidents Response

Contribution to Community Outcomes: The Environmental Incidents Response activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of the Environmental Incidents Response activity is to minimise the adverse effects on the environment of incidents and non-compliance with the Resource Management Act.

2007 – 2009 Levels of Service	Performance Targets and Measures
3.3.1 Providing a 24-hour, everyday environmental incident reporting, recording and response system, including the Environmental Hotline free phone.	Incident response will be undertaken in line with the Council’s ISO accredited management systems, (which are internally and externally audited) and will include: <ul style="list-style-type: none"> – Recording, investigating and taking follow-up action on incidents reported to the Council where there are adverse effects on the environment and/or alleged non-compliance with the Resource Management Act. – Take appropriate enforcement action in cases of significant non-compliance with statutory requirements. – Report on the response, including any enforcement action, to the incident reporter (as and when the follow up action is completed) and to the Council in the following month.

Significant negative effects of Environmental Incidents Response activities

While responding to environmental incidents may be perceived as having a negative effect on those who infringe, it is considered that the well-being of the regional community as a whole is enhanced rather than adversely affected by this activity.

Environmental Monitoring Levels of Service

Activity 3.4: Hazardous Substances and Contaminated Sites

Contribution to Community Outcomes: The Hazardous Substances and Contaminated Sites activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of this activity is to reduce the quantities of hazardous substances, hazardous wastes entering Northland’s environment and minimising the adverse effects of these.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>3.4.1 Facilitate the safe and lawful storage of hazardous substances and management of waste hazardous substances, where there is no appropriate alternative service provided.</p>	<p>Services will be provided in line with the Council’s ISO accredited waste management procedures and management systems and will include:</p> <ul style="list-style-type: none"> – Operating, in conjunction with Wrightson, waste agricultural collection facilities at Whangarei, Dargaville, Waipapa and Kaitaia. A new site will be set up in Kaikohe in 2006. – Operating a facility in Whangarei for the short-term storage of waste hazardous substances awaiting transport. – Provide a collection, transport and disposal service for other waste hazardous substances. – Exporting for safe destruction, the intractable waste hazardous substances that the Council has collected. – Providing a hazardous substances storage compliance monitoring and incident response service (under contract to the Department of Labour). – An annual report to the Council and Department of Labour on the performance of these services.
<p>3.4.2 Facilitate the management of contaminated sites in Northland.</p>	<p>Maintaining and updating a database of potentially contaminated sites, related site assessments and remediation.</p> <p>Promoting the assessment and remediation of significant contaminated sites.</p> <p>Promote the availability of contaminated site information through the LIM and PIM systems by providing the district councils with the information in the database of potentially contaminated sites, related site assessments and remediation.</p>

Significant negative effects of Hazardous Substances and Contaminated Sites activities

Identifying the true cost of waste disposal has a negative financial impact on some of the community in terms of waste disposal charges. However, this is outweighed by the positive impact on the well-being of the wider regional community from the appropriate management of waste.

Maritime Operations Levels of Service

Activity 3.5: Oil Pollution Response

Contribution to Community Outcomes: The Oil Pollution Response activity contributes mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of this activity is to minimise the adverse effects of marine oil spills on the Northland environment.

2007 – 2009 Levels of Service	Performance Targets and Measures
3.5.1 To maintain and implement the Marine Oil Spill Contingency Plan for the Northland region.	All activities carried out in line with the Marine Oil Spill Contingency Plan for Northland and Council’s ISO accredited procedures and management systems, and will include: <ul style="list-style-type: none"> – Having in place a team trained in accordance with Maritime New Zealand standards, and having the appropriate equipment available to respond to oil spills at any time in accordance with the Plan. – Conducting oil spill response exercises as set out in the Plan. – Responding to oil spills in line with the Plan. – Recording all oil spills and action taken and reporting these to the Council monthly. – Monitoring of oil/fuel transfer sites (Tier I sites) for compliance with spill prevention and response requirements.

Significant negative effects of Oil Pollution Response activities

While responding to oil pollution may be perceived as having a negative effect on those who infringe, it is considered that the well-being of the regional community as a whole is enhanced rather than adversely affected by this activity.

Maritime Operations Levels of Service

Activity 3.6: Harbour Safety and Navigation

Contribution to Community Outcomes: The Harbour Safety and Navigation activity contributes mainly to the “Northland’s natural environment is sustainably managed” and, the “Northland’s infrastructure is developed in a sustainable way” community outcomes.

Objective: The objective of this activity is to provide services that promote safe navigation and use of Northland harbours.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>3.6.1 Promote safe navigation and use of Northland harbours and implement the New Zealand Port and Harbour Marine Safety Code.</p>	<p>This activity will comply with the New Zealand Port and Harbour Marine Safety Code, as audited by Maritime New Zealand and Council’s ISO accredited procedures and management systems, and will include:</p> <ul style="list-style-type: none"> – Implement a code compliant safety management system for Whangarei Harbour and the Bay of Islands. Carry out code application assessments for other Northland harbours by June 2007. – Administer maritime safety and navigation bylaws relating to use of Northland harbours, coastline and port facilities by recreational and commercial vessels. – Provide and maintain navigation aids and signage required for safe navigation in Northland harbours. – Provide harbour wardens and patrols to monitor and manage harbour safety and navigation, particularly during heavy use, and to encourage observance of the Council’s Navigation and Safety Bylaw 2001 and related safety promotion programmes. – Investigate and take follow-up action on any reported breaches of the Navigation Safety Bylaw 2001 and other relevant maritime related regulations by providing a 24-hour, everyday, maritime incident reporting, recording and response system. – Provide pilotage services for vessels calling into the Bay of Islands in line with applicable regulations and any requirements of the Bay of Islands safety management system once adopted. – Complete investigations for dredging of the Hatea Channel, jointly with the Whangarei District Council and stakeholders by 30 June 2007.

Significant negative effects of Harbour Safety and Navigation activities

A significant negative impact on well-being may arise in situations where people feel their rights are diminished in order to provide for the well-being of the wider public or for future generations.

Land Operations Levels of Service

Activity 4.1: Hazard and Emergency Management

Contribution to Community Outcomes: The Hazard and Emergency Management activity contributes mainly to the “Northland residents are safe and healthy”, and “Northland’s Infrastructure is developed in a sustainable way” community outcomes.

Objective: The objective of this activity is to work with communities to increase awareness of the hazards which may threaten them, work to avoid or reduce the risks associated with these hazards, respond to major events and have plans in place to assist in recovering from any emergencies; and work to reduce the level of damage caused by flooding and erosion.

2007 – 2009 Levels of Service	Performance Targets and Measures
4.1.1 Implement the Civil Defence Emergency Management Group Plan for Northland in consultation with the district councils, emergency services, lifeline utility managers and health services.	Report annually on progress in implementing the Plan.
4.1.2 Prepare a comprehensive Flood Management Plan for the Kaihu River.	Report annually on progress. Complete the Kaihu River Flood Management Plan by 30 June 2009.
4.1.3 Implement the completed river management plans for the Waima, Waimamaku, <i>Kaeo</i> , Kaihu, Waihou, and Otaua Rivers and the Tauranga and Taupo Bay Streams.	Report annually on the implementation of river management plans.
4.1.4 Prepare and implement river management plans for Mangakahia and Kerikeri Rivers and the Otaika Stream.	River management plans are prepared and implementation started according to the following schedule: – Mangakahia River and Otaika Stream by 30 June 2007; and – Kerikeri River by 30 June 2009.
4.1.5 Prepare a flood management and land drainage plan for the floodplain of the Ruakaka River and associated low land between McCathie Road and Mountfield Road.	Plan adopted by 30 June 2009.

Words in ***bold italics*** added by an amendment to the LTCCP in June 2007.

Significant negative effects of Hazard and Emergency Management activities

A significant negative effect on well-being may arise in situations where people feel their rights have been diminished in order to provide for the well-being of the wider public or future generations. Some people may also consider the additional costs of providing flood protection as having a negative economic impact.

Land Operations Levels of Service

Activity 4.2: River Management Works

Contribution to Community Outcomes: River Management Works contribute mainly to the “Northland residents are safe and healthy” community outcome.

Objective: The objective of this activity is to reduce the frequency, depth and duration of flooding by ensuring river systems are maintained, the incidence of streambank erosion is reduced and land uses on flood-susceptible land are sustainable.

2007 – 2009 Levels of Service	Performance Targets and Measures
4.2.1 Manage the Awanui River system, its associated floodplain and land protected around the shores of Rangaunu Harbour according to the Awanui River Flood Management Plan and the Memorandum of Understanding between the Northland Regional Council and the Far North District Council.	Undertake channel, stopbank and floodgate restoration work according to the programme of works set out in the Management Plan. Report to the Landcare Committee at each meeting and to the Northern Community Board and the Far North District Council twice yearly.
4.2.2 Manage the Kaihu River and its floodplain according to the Kaihu River Flood Management Plan.	Restore and maintain the Kaihu River channel to: Its 1950’s design dimensions between Parore Road and the Northern Wairoa River; and Its June 2006 design dimensions between Waihue Road and Parore Road by 30 June 2009.
4.2.3 Reduce the incidence of flooding from smaller rivers and streams.	Provide advice, prepare flood management proposals and, subject to annual budgets, provide financial support for stream management works. Report activity to each Council meeting.

Significant negative effects of River Management Works activities

A significant negative effect on well-being may arise in situations where people feel their rights have been diminished in order to provide for the well-being of the wider public or future generations. Some people may also consider the additional costs of river management works as having a negative economic impact.

Land Operations Levels of Service

Activity 4.3: Sustainable Land Management

Contribution to Community Outcomes: Sustainable Land Management contributes mainly to the “Northland is prosperous” and “Northland’s natural environment is sustainably managed” community outcomes.

Objective: The objective of this activity is to promote the sustainable management of land, including soil, water and ecosystems, in the Northland Region.

2007 – 2009 Levels of Service	Performance Targets and Measures
4.3.1 Work with representatives of the dairy industry to promote sustainable land and water management practices on dairy farms in Northland.	Report annually on actual progress by all parties towards meeting the performance targets contained in the Northland Regional Action Plan for the Dairying and Clean Streams Accord.
4.3.2 Work with the marine farming industry, coastal communities, landholders and industries to improve river, estuary and coastal water quality.	Develop and commence the implementation of land and water management plans for the Whangaroa Harbour, Te Puna Inlet and in the Arapaoa and Otamatea Rivers in the Kaipara Harbour by 30 June 2007.
4.3.3 Work with the representatives of other primary industry sector groups to promote sustainable land and water management practices to meet environmental performance standards set down in industry accords, codes of practice and best practice guidelines.	Prepare land resource inventory maps for each of the three Meat and Wool Monitor Farms in Northland and support field days on these properties, promoting sustainable land use practices by 30 June 2007.
4.3.4 Promote sustainable land management practices by providing advice on land use alternatives, land development techniques, soil conservation and drainage.	Provide appropriate advice within 20 days of receiving requests for advice, and report annually on the number and type of responses given.
4.3.5 Develop and promote indigenous biodiversity policies for Northland.	Design and set up an indigenous biodiversity database for Northland by 30 June 2007.
4.3.6 Support biodiversity protection and enhancement on private land and by community groups and through the Environment Fund.	Invite applications for financial support from the Environment Fund by mid-July each year, allocate funds by 30 September and pay funds on successful completion of planned works. Report on applications annually and on performance of all previously approved Environment Fund projects by 30 June 2007.

Significant negative effects of Sustainable Land Management activities

At this stage there are no known significant negative effects surrounding Council’s planned Sustainable Land Management activities.

Land Operations Levels of Service

Activity 4.4: Biosecurity Management

Contribution to Community Outcomes: Biosecurity Management contributes mainly to the “Northland’s natural environment is sustainably managed” and “Northland is prosperous” community outcomes.

Objective: The objective of this activity is to work to reduce the adverse impacts of exotic organisms, pest plants and animal pests on primary production, natural ecosystems and on human health.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>New Organisms</p> <p>4.4.1 Promote pest management options for guava moth, tropical grass webworm, Argentine ant, and Darwin’s ant in Northland.</p> <p>4.4.2 Work in partnership with Biosecurity New Zealand to identify and eradicate, contain or manage incursions of exotic plants and animals, insect pests, marine pests, and plant and animal diseases in Northland.</p> <p>4.4.3 Provide an organism identification service to the public, so enabling early identification of risk organisms and, where appropriate, implementation of containment, eradication, or control measures.</p>	<p>Provide pest management information on webworm and guava moth populations via the Council’s website and through media releases.</p> <p>Implement a regional pest management strategy for Argentine ant and Darwin’s ant from 1 July 2006.</p> <p>Provide identification and advice service within 48 hours of the public bringing in an organism. Report on activity annually.</p>
<p>Animal Pests</p> <p>4.4.4 Undertake animal pest management operations, in support of landholders and community groups, within defined community pest management areas, in accordance with community pest management plans prepared for each area.</p>	<p>Report annually in July to the Landcare Committee on the achievement of targets set in each of the community pest control area schemes.</p>

Land Operations Levels of Service

Activity 4.4: Biosecurity Management (continued)

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>Pest Plants</p> <p>4.4.5 Implement pest plant service delivery programmes within Regional Pest Management Strategies and according to annually approved Operational Plans.</p>	<p>Report annually on the implementation of Pest Management Strategies to the first Landcare Committee meeting of each financial year. This includes:</p> <ul style="list-style-type: none"> – Control by spraying, all re-growth Manchurian ricegrass sites outside the major Northern Wairoa River and major tributary infestations. – Commence the preparation of a new Regional Pest Management Strategy for Manchurian Ricegrass and a new management plan by 31 December 2006. – Control by spraying, all re-growth of African feathergrass on Pouto Peninsula, at Rahiri Settlement and Taumarere, and administer management plans for controlling this pest on six properties west of Te Kopuru. – Range and control all nassella tussock infestations in Northland, before 31 December each year and report on work. – Spray re-growth spartina in the Kaipara Harbour and, progressively in harbours throughout Northland with the objective of eradicating this weed from Northland harbours. – Eradicate infestations of lantana from all areas of Northland outside of the dense infestations of Hokianga and Whangaroa. Promote the identification, introduction and release of an appropriate biological control agent for lantana to achieve control of the Hokianga and Whangaroa infestations.
<p>4.4.6 Enforce rules in the Northland Regional Pest Management Strategies, which require landholders to manage declared pest plants and animals pests.</p>	<p>Report to each Council meeting on the number of sites inspected, the number of instructions issued, on any works undertaken on default of an instruction and on the recovery of costs for such works.</p>
<p>4.4.7 Provide advice on the control of problem plants, animals and insects, both declared pests and organisms not subject of the Northland Regional Pest Management Strategies.</p>	<p>Report to each Council meeting on the number and type of requests for advice during the previous month. Report in July each year on the number of enquiries relating to each category of pest during the previous year, the type of advice given, the level of satisfaction as determined by interviews of a sample of enquirers, and on any trends that may be determined from such data.</p>

Significant negative effects of Biosecurity Management activities

A significant negative effect may arise in situations where people feel their rights are diminished in order to provide for the well-being of the wider public or for future generations.

Strategic Development Levels of Service

Activity 5.1: Community Representation and Strategic Planning

Contribution to Community Outcomes: Community Representation and Strategic Planning contribute mainly to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of this activity is to ensure community representation through elected Councillors and to facilitate long term planning through the creation of the Northland Community Plan, including the identification and monitoring of community outcomes.

2007 – 2009 Levels of Service	Performance Targets and Measures
5.1.1 Provide democratic local decision making and action on behalf of the local community on issues relevant to the Northland Regional Council’s roles and responsibilities.	Call for nominations and hold elections for the Northland Regional Council for the 2007-2010 triennium. Review the committee structure following the 2007 election. All Council and committee meetings and hearings are notified and conducted in accordance with the requirements of the Local Government Official Information and Meetings Act 1987 and standing orders. The Local Governance Statement, Triennial Agreement, committee and staff delegations and a Council Code of Conduct are adopted and made publicly available in accordance with the requirements of the Local Government Act 2002. No Council decisions are judicially reviewed for non-compliance with sections 76-81 of the Local Government Act 2002.
5.1.2 Consult on and communicate the Council’s strategic direction, including details of intended levels of Council services with the community.	Adopt the Northland Community Plan 2009-2019 by 30 June 2009, and Annual Plans in the intervening years by 30 June 2007 and 2008, in accordance with the requirements of the Local Government Act 2002.
5.1.3 Work with the communities of Northland and other organisations towards achieving regional community outcomes.	Describe how the Council will contribute to furthering community outcomes in the activities section of the Northland Community Plan 2009-2019. Report on the progress the community has made towards achievement of the Regional Community Outcomes in the Northland Community Plan 2009-2019.

Significant negative effects of Community Representation and Strategic Planning activities

A significant negative effect on well-being may arise in situations where people feel their rights have been diminished in order to provide for the well-being of the wider public or future generations.

Strategic Development Levels of Service

Activity 5.2: Regional Development

Contribution to Community Outcomes: Regional Development contributes mainly to the “Northland is prosperous” and “Northland retains and enhances its regional identity” community outcomes.

Objective: The objective of this activity is to promote a vibrant and growing region.

2007 – 2009 Levels of Service	Performance Targets and Measures
5.2.1 Promote regional development through the operation of the Northland Regional Council Community Trust, which holds an \$11.4 million fund.	Receipt of quarterly reports from the Trust detailing actual progress compared to the objectives negotiated in the Annual Statement of Intent.
5.2.2 Support the promotion of Northland as a destination.	Make a \$100,000 per annum grant to Destination Northland Ltd. Receipt of Quarterly reports detailing actual activities in accordance with the negotiated Annual Terms of Agreement.
5.2.3 Support the arts industry sector in Northland.	Make provision for a grant of \$50,000 per annum to assist with co-ordination and development of the arts industry.
5.2.4 Work with the three district councils via Council Committees and the Mayoral Forum to advocate on behalf of Northlanders.	Mayoral Forum meets at least twice a year. Regional Development Committee meets at least twice each year.
5.2.5 Co-ordinate and represent a Northland viewpoint at a national level on appropriate issues.	Membership and active participation in the Northland Intersectoral Forum, particularly in relation to community outcomes. Members of the Mayoral Forum to meet with central government politicians as required.
5.2.6 Further develop relationships with key stakeholders in the Northland Region through the ongoing process of identifying community outcomes and implementing the Long Term Council Community Plan.	Develop a plan for ongoing relationships between stakeholder groups with the Northland Intersectoral Forum as the central agency by 30 June 2007.
5.2.7 Provide community funding for regional initiatives undertaken by the Council or in joint venture or partnership with other authorities and organisation on a case-by-case basis.	Make a grant of \$25,000 per annum to assist with the further development and implementation of the Regional Sport and Physical Activity Strategy, contingent on support from other stakeholders. 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.
5.2.8 <i>Develop a project funding strategy and risk assessment of any infrastructure priority that the Council decides to commit significant funding.</i>	<i>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.</i>

Words in **bold italics** added by an amendment to the LTCCP in June 2007.

Significant negative effects of Regional Development activities

At this stage there are no known significant negative effects surrounding the Council’s planned Regional Development activities.

Strategic Development Levels of Service

Activity 5.3: Commercial Investments

Contribution to Community Outcomes: The Commercial Investments activity contributes primarily to the “Northland’s natural environment is sustainably managed” community outcome.

Objective: The objective of this activity is to endeavour to manage commercial investments to provide reliable cashflows to the Council and ensure that the value of the capital base is maintained.

2007 – 2009 Levels of Service	Performance Targets and Measures
<p>Property Investments</p> <p>5.3.1 Effectively manage the Council’s investment properties.</p>	<p>Achieve an average economic return of at least 6.5% per annum over the term of this Plan on the overall value of the investment property portfolio.</p> <p>Report annually on any re-investments made.</p>
<p>Forest Management</p> <p>5.3.2 Maintain the forest to ensure maximum economic return.</p>	<p>Manage the Council’s forestry assets in accordance with the Forest Management Plan.</p> <p>Report against annually.</p>

Words in bold italics added by an amendment to the LTCCP in June 2007.

Significant negative effects of Commercial Investment activities

At this stage there are no known significant negative effects surrounding the Council’s planned Commercial Investments activities.



Caring for Northland and its environment

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KAITAIA: 192 Commerce Street, Kaitaia 0410; Phone 09 408 6600, Fax 09 408 6601.

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