

Te Mahere Roa 2024-2034

Long Term Plan 2024-2034



Ihirangi

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Nau mai

Welcome



Nau mai, haere mai, piki mai rā

Welcome

Toitū te whenua	If the land is well
Toitū te moana	If the sea is well
Toitū te tangata	The people will thrive

Tihei mauri ora!

Behold, the sneeze of life!

Ko Ranginui e tū iho nei, ko Papatūānuku e takoto ake nei, ko ā rāua tamariki kei waenganui

Ranginui the sky father stands above, Papatūānuku the earth mother lies below, their children in between

Ko tātou te ira tangata e noho nei, e tupu nei, e ora nei

We, humanity, dwell here, growing, thriving

E tangihia tonutia ana ō tātou mate kua whetūrangitia ki te pō. Kotahi tonu te kupu ki a koutou, haere mai, haere

We acknowledge those who have passed on, returning to the night as stars. We bid you come, and then go

Ki a tātou te hunga ora kua whakarauika mai nei i tēnei rā, ko te reo maioha o Te Kaunihera ā rohe o Te Taitokerau e mihi nei

To us the living who have gathered here today, the Northland Regional Council cordially greets you all

E te tī, e te tā, e ngā rau rangatira o Te Taitokerau

We acknowledge those near and far in Te Taitokerau

Mauri tū	The life force that is strong
Mauri ora	Is the life force that prospers
Tēnā tātou katoa	Greetings to all

Ko tā tātou Mahere Roa tēnei te whakatakoto ake nei, hei whakakitenga matawhānui mō Te Taitokerau.

We present our Long Term Plan, as a broad vision for Te Taitokerau

Nō reira, tēna koutou, tēna koutou, tēna koutou katoa

Therefore greetings once, twice, thrice to all

Ngā karere mai i te Heamana me te Tāhuhu Rangapū

Chair and CEO's foreword

Nau mai, haere mai. Welcome to our Long Term Plan 2024-2034, which sets out our pathway for the coming decade.

We all want a strong future for Te Taitokerau, with healthy wai where our children can safely swim, resilient communities in a changing climate, and where whānau and whenua flourish.

In planning for the years ahead, we have reflected carefully on our role as a regional council. The future we're working towards, what we're legally required to deliver on, what tāngata whenua and communities want us to be doing, and what our region can reasonably afford to pay for it all.

During the development of this plan we asked you to share your thoughts on the mahi needed for the journey ahead, and we received almost 2300 feedback forms in response.

The vast majority of feedback we received related to funding contributions via rates to emergency services and regional sporting facilities. The message was clear – people want to see these rates continue – and we have listened.

We will continue acting as fundraisers for these two 'community good' rates, recognising the strong support for it. These rates are quite separate from the core work we do as a regional council.



Other feedback we received was generally supportive of the work we are planning over the coming years for the natural environmental, community resilience and regional leadership, and the plan we have landed on reflects that.

Ultimately, this Long Term Plan is about balance. There is hugely important work to be done to care for te taiao (the natural environment) and prepare communities for the long-term effects of climate change and natural hazards, and costs have increased significantly for us all.

It's critical for our ratepayers that our mahi is delivered efficiently and cost-effectively, and in developing this plan we have re-prioritised or down-scaled where we can to keep costs down.

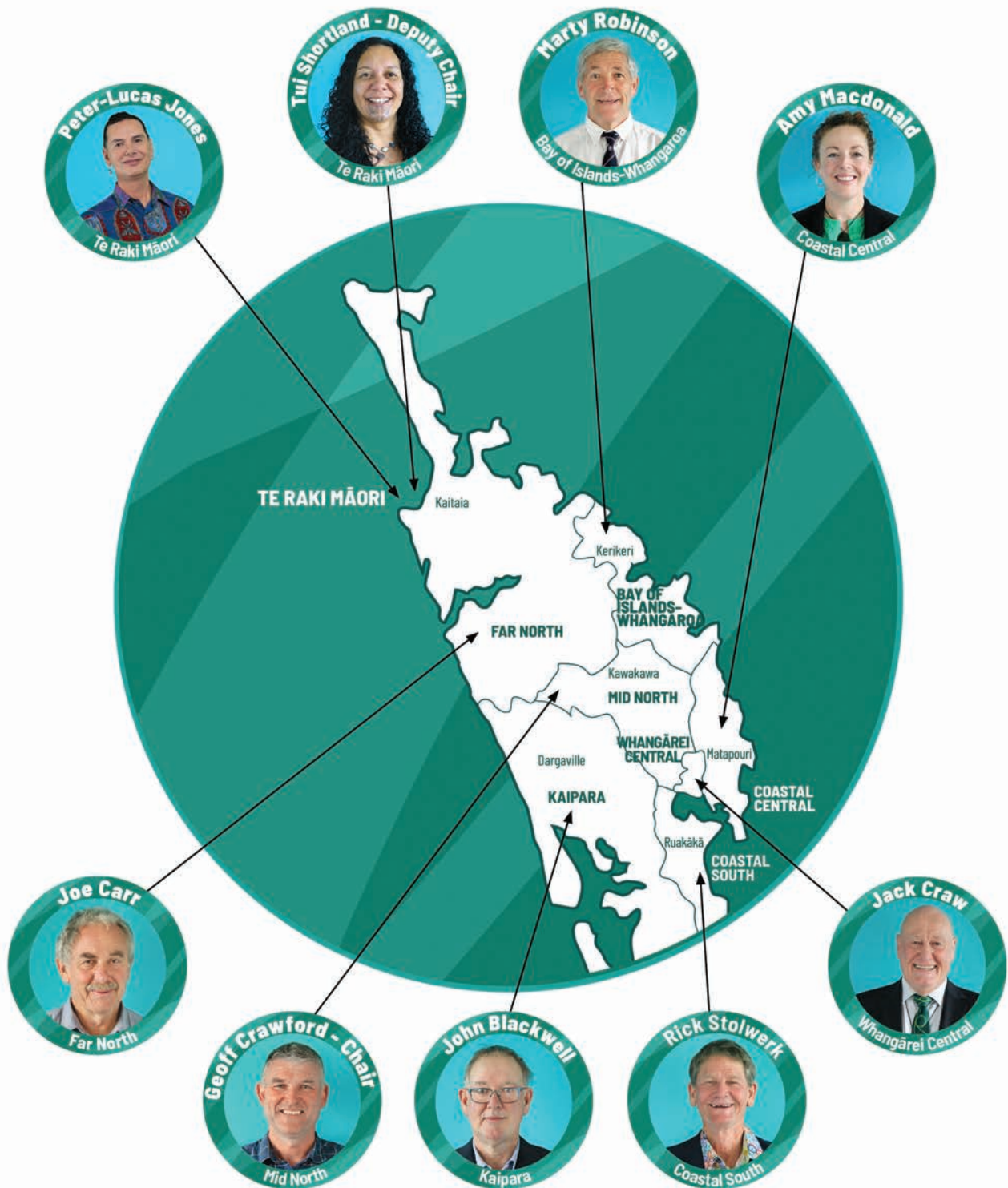
We are incredibly grateful for all those whose voices have contributed to the development of this Long Term Plan and are confident that this plan strikes the best balance for the future of our region and its people.

Geoff Crawford
Chair

Jonathan Gibbard
Chief Executive Officer

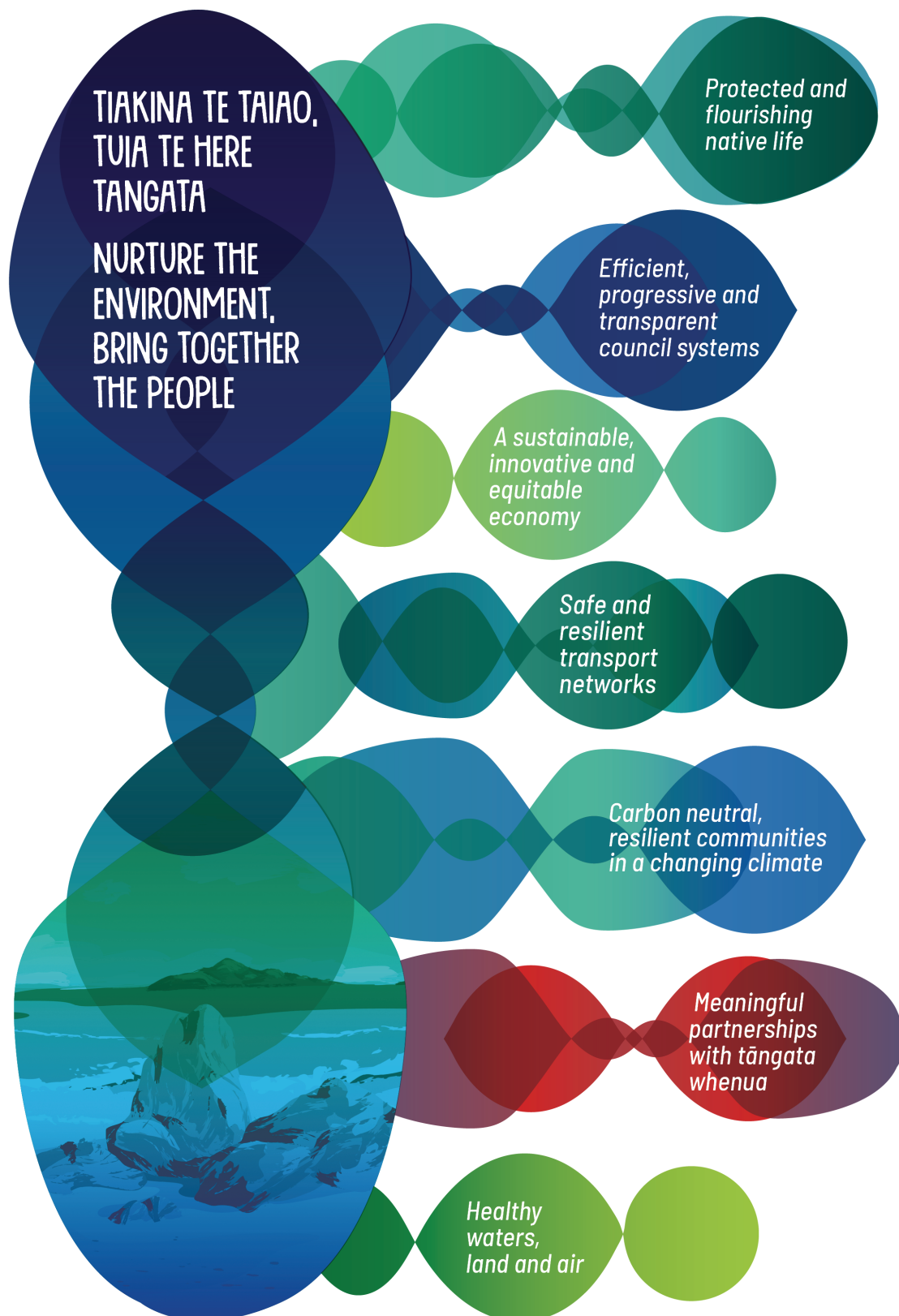
Ō koutou Kaikaunihera

Your regional councillors



Te mahere rautaki a te Kaunihera

Council's strategic direction



Ngā kōrero whakahokia mai e koutou

Your feedback

Like all councils in Aotearoa, we make lots of plans! Partly because we are required to by legislation, but also because we want to be open and honest about what we're doing with your rates. We seek community feedback to help inform the development of these plans where changes are likely to be significant for you. Every three years we are required to develop a Long Term Plan that sets our ten-year direction – what we'll do, and how we'll pay for it.

In developing this plan, we considered feedback gathered from our residents' survey, which told us that our communities continue to see freshwater as a top priority, closely followed by our economy and native life. We reflected on this feedback, together with representatives from Te Taitokerau Māori and Council Working Party, during a series of workshops where we agreed options for the mahi needed for the next ten years. These proposals made up our Long Term Plan 2024–2034 Consultation Document, the centre of our community consultation.

Our consultation period ran from 16 March to 19 April 2024, and during this time we ran a multi-channel campaign encouraging people to have their say on the proposals outlined in the Consultation Document via our website, newspapers, radio, and social media. We also directly contacted interested and potentially impacted parties, including current recipients of emergency services funding.

We held three 'Have Your Say' events and two marae-based hui around the region, which provided an opportunity for community members to present their views to councillors in person, and to better understand the proposals. Events took place in Whangārei, Kaikohe, Awanui and Ruawai, plus one online. Attendance at these events varied, with just over 40 attendees recorded in total.

Written feedback came in through our online consultation portal, email, our hard-copy feedback forms, and letters. Verbal feedback was gathered at our events, via telephone, and during two days of hearings on 7 May (online) and 8 May (in person) with 25 submitters heard in total.

Overall, 2275 feedback forms were received on our Long Term Plan, with the majority of feedback received being about the proposals within the Consultation Document. The number of feedback forms received was much higher than usual, which is attributed to the proposal to stop funding contributions to emergency services and sporting facilities. A vast majority supported the continuation of one or both of these two rates. Two of the feedback forms received were petitions with a combined total of 109 signatures attached in support of continuing to fund emergency services.

The majority of the remaining feedback received was in general support for our proposed options. Along with feedback on the proposals outlined in our Consultation Document, several other issues were raised that were addressed during council deliberations, which were held on 21 and 22 May 2024.

Having considered this feedback, council decided during deliberations to continue collection of the Regional Rescue Services Rate (previously the Emergency Services Rate), with the addition of making the distribution of this rate a contestable process open to current recipients.

Council also decided to approve the continuation of the Regional Sporting Facilities Rate and contribute funding to regionally-significant sporting facilities.

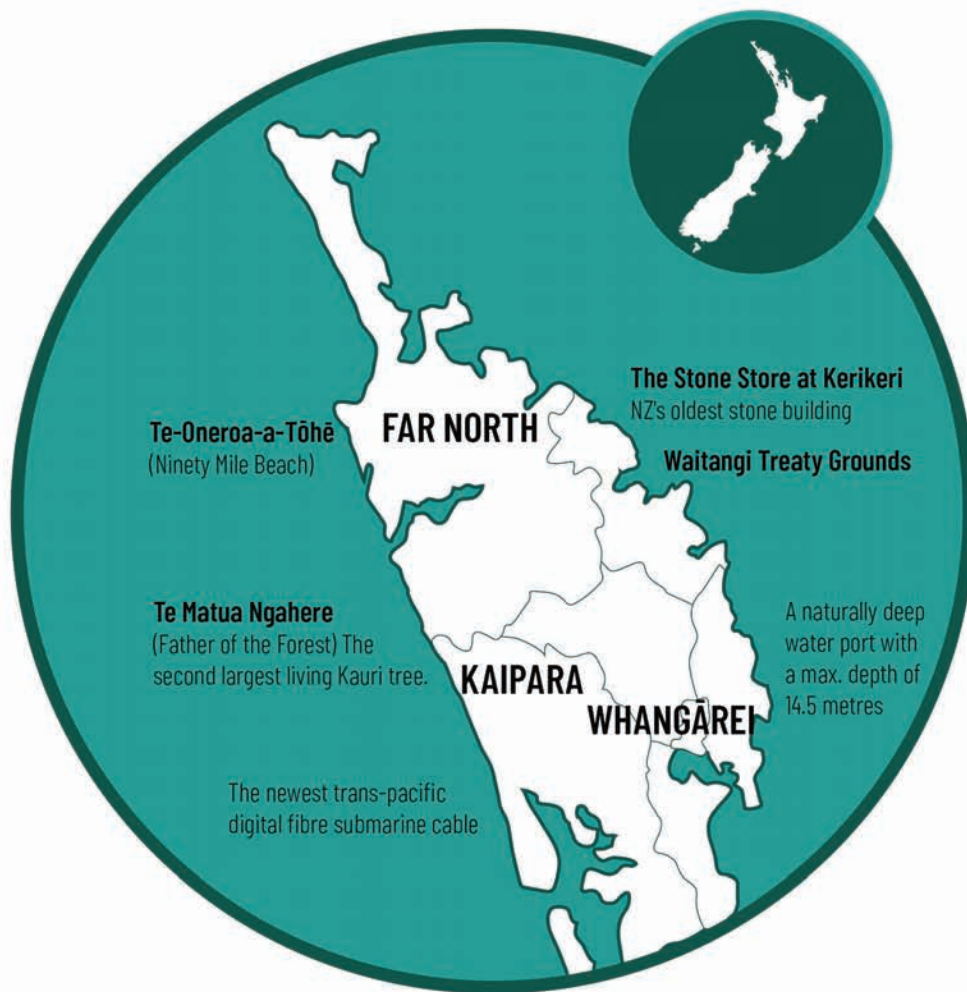
A summary of all the decisions made is available on our website: www.nrc.govt.nz/ltp2024



Tō tātou rohe

About our region





50%

OF NORTHLANDERS LIVE RURALLY

Compared to just over 16% nationally



36%

OF NORTHLANDERS IDENTIFY THEMSELVES AS MĀORI

Compared to 17% nationally



23%

OF THE REGIONAL WORKFORCE IS SELF EMPLOYED

Compared to 16% nationally



10%

OF REGIONAL GDP COMES FROM AGRICULTURE, FORESTRY AND FISHING

Compared to 5% nationally

2023	Far North	Whangārei	Kaipara	Northland
Population	74,000	101,900	27,300	203,900
GDP \$ Million	\$2,982	\$5,456	\$1,047	\$9,485
Avg. income	\$55,399	\$64,948	\$59,853	\$61,483
Unemployment	5.7%	3.8%	3.3%	4.5%



Northland's population is expected to reach

225,000

by 2034 at an average annual rate of 1%

Our place

Situated in the northernmost part of New Zealand's North Island, Te Taitokerau Northland is a place of unparalleled natural beauty and ecological significance. The region covers an area of 13,940 km², just over 5% of New Zealand's total area. From the stunning coastline with its golden beaches, rugged cliffs, and pristine islands to the lush forests and fertile farmland that stretches inland, our region offers a unique and picturesque environment.

The significance of Te Taitokerau is not only tied to its awe-inspiring taonga but also its historical and cultural heritage. This land has been home to the indigenous tāngata whenua for centuries, and their deep connection to the land and sea has left a lasting imprint on the region's identity. Today, we celebrate the rich cultural tapestry and work in partnership with local iwi and hapū to preserve and promote strong whanonga pono (values) and tūruapō / wawata / pohewa (vision).

Over the years, our region has faced various challenges, including environmental issues, climate change impacts and socio-economic disparities. We are determined to address these challenges head-on, fostering a resilient and prosperous future for all.

Our environment

Our natural taiao (world) is truly outstanding. Te Taitokerau Northland has more than 3,000km of coastline, 1.25 million hectares of land, excellent air quality and an abundance of freshwater. However, the region's environment is fragile and always at risk. We aim to be at the forefront of environmental stewardship, implementing strategies that preserve our natural heritage for generations to come.

Nearly half of our land is used for high-producing grassland, rendering Te Taitokerau Northland as the least urbanised region in the country; almost half the population resides in rural areas. Natural forest accounts for 22% of Te Taitokerau's land area, with exotic forests covering a further 15%. Since 1990, a concerted effort has been made to convert grassland areas to planted forest. Between 1996 and 2018, the area in exotic forest increased by 13,600 hectares. Most of the land that has been converted to exotic forest was previously used for grassland, and most of this occurred in the 1996 to 2001 period.

Maintaining and improving biodiversity in Te Taitokerau Northland continues to be a focus. Council and communities work hard to tackle non-native invasive animal and plant species. Almost 11,200 hectares of land in Te Taitokerau is now under QEII covenant, and Te Taitokerau has the largest number of covenants across all 16 regions of New Zealand. Kiwi-call counts have generally increased since the mid-2000s.

Despite our high rainfall compared to other parts of the country, clean water is one of Te Taitokerau Northland's scarcest resources. The main issues affecting river water quality in Te Taitokerau are *E.coli*, phosphorus and sediment (particularly during storm events), degraded habitat quality and ecological health. The region is known for its excellent coastal water quality, and most of Te Taitokerau's coastline is suitable for swimming – there are only a few occasions when swimming water quality exceeds guidelines at sites with significant freshwater input.

Our people

Te Taitokerau Northland was home to some of our country's first inhabitants. Since 2018 the region's population has increased by 10%, above New Zealand's overall increase of 7%. The Whangārei, Far North and Kaipara districts all experienced similar and relatively high growth rates. The region's population is estimated to be 203,900 as at June 2023, with forecasts indicating that the population could grow to about 225,000 by 2034.

The major causes of the Te Taitokerau Northland's growth are increasing longevity (which results in a growing group of elderly people), natural increase and net migration. Between 2014 and 2022, the region had a net gain of 800 international immigrants per year, equivalent to a 0.4% annual increase in population, which is much higher than a few years back when Te Taitokerau experienced a net international migration loss. There was a large peak in international migration in 2020 as New Zealanders returned home during the Covid-19 pandemic. Te Taitokerau recorded the largest percentage increase in population caused by net migration across the 16 regions of New Zealand in 2022.

Te Taitokerau Northland's unemployment rate, which had been relatively steady at 8% since the global financial crisis, has fallen to a historically low level of 3.4% in 2022 before rising to 4.5% in 2023. The large fall in unemployment since mid-2010s has predominately been Māori. The unemployment rate for Māori has dropped from a peak of around 18% in the mid-2010s to 5% in 2022. There is a continuous rise in young Māori with NCEA Level 2 or equivalent, and non-Māori are maintaining a steady increase too.

Although New Zealand's response to the Covid-19 pandemic crisis has been relatively effective and while parts of the Te Taitokerau Northland economy have bounced back largely unscathed, other parts have been hard hit, particularly the tourism sector. More recently, Cyclone Gabrielle severely damaged parts of Te Taitokerau resulting in ongoing impact for regional sectors and highlighting the need for further improvements.

Te Taitokerau Northland's median weekly household income was just over \$1700 in June 2023. Since 2018, the median weekly household income increased by 1% per annum in real terms, slightly below the national median increase of

1.3%. The relative importance of government transfers has fallen as a source of household income as earnings from wages and salaries and self-employment income has risen in recent years.

The number of empty dwellings in Te Taitokerau Northland has fallen due to the region's rising population. There was a total of 80,082 private dwellings in 2018. Despite the relatively low average incomes, Māori and non-Māori Northlanders have high home ownership rates. About half of Northlanders own or partially own their usual place of residency, slightly above the national average. One in 10 Northlanders report they don't have enough money to meet their daily needs: accommodation, food, clothing and other necessities.

Our culture

The cultural importance of Te Taitokerau Northland is profound and multifaceted, rooted in the rich history and traditions of the Māori people, as well as the region's contributions to New Zealand's national identity. Waitangi is one of New Zealand's most important historic sites, marking the place where Te Tiriti o Waitangi/the Treaty of Waitangi between Māori and the English was first signed.

Māori make up 36% of Te Taitokerau Northland's population compared to 17% nationally, while a much smaller proportion are of Asian origin. Generally, Northlanders express a higher degree of support for cultural activities. Te Taitokerau is a stronghold of Te Reo Māori and many Māori communities actively use and promote the language. Efforts to revitalise and preserve Te Reo Māori are particularly strong in the region, contributing to its survival and vitality.

Te Taitokerau Northland is not just New Zealand's historic gem, but is also a land of glorious coastal views, protected species and ancient kauri trees that encourages Northlanders' appreciation for the local ao tūroa (natural world). They recognise the critical environmental concerns we face, such as the state of freshwater and oceans, plant and animal life becoming extinct, and climate change risks. In fact, just over one-quarter of Northlanders are involved with environmental projects, compared to less than 20% nationally.

Social connection is a pillar of the region's lifestyle. The people of Te Taitokerau have a strong sense of connection with others, which is a positive indicator for regional wellbeing. However, the quality of that connection may be limited. Only around 60% of Northlanders have a medium to high degree of trust for people; and only three-quarters of Northlanders feel it is easy or very easy to be themselves, both below the national average.

Our economy

Our vision for the next decade is to create a region that thrives economically by encouraging responsible growth and land use, embracing innovation, fostering wellbeing and nurturing a healthy environment. Between 2017 and 2022, Te Taitokerau Northland's economy grew at an annual rate of 3%, compared to 2.1% during the first half of the 2010s. This relatively high level of growth occurred despite the impacts of the Covid-19 virus and the lockdown and some extreme weather events such as the 2019/20 drought.

Whangārei district accounts for almost 60% of economic activity in the region. The Far North and Kaipara districts contribute a much smaller amount to the regional GDP (31% and 11% respectively). We have a strong manufacturing industry, followed by agriculture, forestry and fishing, then business and property services. While kiwifruit production rose to a record level, dairy, roundwood removals and avocado is falling. The closure of the Marsden Point oil refinery in Te Taitokerau Northland has a substantial impact on the contribution of the manufacturing industry to the regional economy.

The region has shown an impressive increase (27%) in the number of people employed since 2012, reaching nearly 81,000 filled jobs in 2022, both employed and self-employed. Remarkably, one in four positions in Te Taitokerau Northland are identified as being self-employed, the highest rate in New Zealand. After a 7% decrease caused by the global financial crisis, the number of businesses in the region has steadily grown to a new record high of 23,700 in 2023. Te Taitokerau's growth rate has been slightly faster than the New Zealand average.

Tourism is a vital economic driver in Te Taitokerau Northland. A total of 1.3 million guest nights were spent in our region for the year 2021/22. Domestic visitors have accounted for nearly 100% of guest nights recorded in Te Taitokerau over this period. Pre-pandemic, international visitors had accounted for around one-third of all guest nights in Te Taitokerau.

Finally, rates revenue received by council has increased from \$17M in the year ended June 2013 to \$43.5M in 2023. Council's rates revenue in 2022/23 was equivalent to \$213 per person living in Te Taitokerau Northland.

Rautaki Pūtea

Financial strategy



The financial strategy brings together financial forecasts from the Long Term Plan and a summary of issues that may affect council's finances. These inform council's overall financial direction.

The Local Government Act 2002 (LGA) requires every local authority to prepare and adopt a financial strategy as part of its Long Term Plan (section 101A).

The purpose of the strategy is to facilitate:

- » prudent financial management by providing a guide to consider proposals for funding and expenditure, and
- » consultation on our proposals for funding and expenditure by making the overall effects of those proposals on our local authority's services, rates, debt and investments transparent.

Note that all figures are GST exclusive, except when we are talking about rates we collect, which are GST inclusive.

SUIP = Separately Used or Inhabited Part of a rating unit

We aim to ensure that infrastructure is resilient in the face of future natural hazards; invest in environmental enhancement and economic growth; and deliver high-quality services.

To fund these activities, we must have a fair rating system, keep rates increases reasonable, achieve returns on investments that meet our risk and return policies, and carefully manage borrowing.

Our ongoing challenge is to achieve a balance between meeting community expectations, responding to legislative changes, and providing quality services, while keeping rates affordable.

Key issues and drivers

We have expanded our environmental work programmes to address the growing expectations from our communities and requirements from central government about the way we manage water, biodiversity, forestry, climate change, flood risks and other natural and physical resources.

New work involves increased cost, and we need to understand what level of investment ratepayers are willing to make towards achieving community aspirations. To help ratepayers make these important decisions, the Long Term Plan sets out the programmes of work for the next 10 years, and the cost of funding these activities.

Overall, the areas of new and extended work in this Long Term Plan will mean significant rates increases.

The major areas are:

- » **Pests and predators:** we're continuing to contribute towards the government's ambitious goal to rid New Zealand of possums, rats and stoats by 2050.
- » **Climate change:** as weather events become more intense there is greater emphasis, including legislated obligation from central government, on ensuring the region has effective flood protection in place, and is planning for a changing climate.
- » **Support services:** we need to make sure that our systems are fit for purpose and able to keep up with the rate of change in this Long Term Plan.

We are in a sound financial position.

Rates income for the 2023/24 year is expected to be \$47 million.

The council holds investment assets (including current cash and cash equivalents) with a market value of **\$269 million¹**. These investments are expected to provide annual investment income of approximately **\$12 million (2023/24)**. Investment income is used to further economic development and fund operations, thereby reducing the rating burden for all ratepayers.

At December 2023, the council held flood infrastructure assets valued at **\$39.1 million**.

At December 2023, council debt was **\$18.4 million**.

Looking ahead

Te Taitokerau Northland has experienced high levels of population growth over recent years and this is expected to continue over the next ten years although at a lower rate of increase. High-rainfall events are expected to continue, and our communities' ability to pay rates (including payment of rates arrears) remains an even greater issue.

While the region's economy has been performing relatively well in recent years, with benefits spread throughout each district, high inflation and interest rates and the slow down in national and global economic growth means there is significant uncertainty over the short to medium term. We will continue to take an active role in supporting sustainable regional economic development.

¹ The council holds 22,142,907 shares in Marsden Maritime Holdings Limited (53.61%). These shares are recorded at an historical cost of \$7,827,563 (35 cents per share) in the council's balance sheet, but have a current share value (as at 22 December 2023) of \$99,643,082 (\$4.50 per share).

The world around us

National and international economic, environmental and political factors affect the council's finances. These factors can include future changes, interest rates, markets, legislation, natural hazards and climate change. Specifically, the cost of providing public transport is increasing due to rising contract costs and fuel prices.

Price increases associated with inflation are expected to continue to increase at a rate of between 1.9% and 2.9% per annum across all expenditure categories, except for salaries. Salary costs are expected to increase at approximately 3% per annum, with the exception of 2024/25 which will increase by approximately 6% and 2025/26 which will increase by approximately 5%.

There is also a growing skills shortage which represents a risk to future service delivery.

Population

Our population is expected to grow at an average rate of approximately 1% per annum over the life of this plan. This level of population change generally has very little impact on our services, and existing resources can cope with service demands without major adjustments. However, a slower population growth will lower the increase in rateable properties over the next 10 years, reducing the ability to distribute the rates burden across additional ratepayers.

The average age in Te Taitokerau Northland is increasing, with people aged 65 years or older accounting for 21% of the region's population. We recognise that people in this age bracket are more likely to retire on low fixed incomes and rely predominantly on superannuation in their later years.

Economic growth

There has been a steady rise in Te Taitokerau Northland's gross domestic product (GDP) in the decade following the global financial crisis, with an average annual growth rate of 3% from 2012 to 2022. However, GDP is estimated to have fallen by 2.5% in 2023 due to the closure of the refining operations at Marsden Point. Excluding this, the region's economy grew by 1.4% in 2023. There has been a steady rise in employment over the past ten years, with a corresponding lift in the median household income.

While the economy has been performing well, Te Taitokerau Northland's GDP per capita – an indicator of the region's standard of living – was still the third lowest among all 16 regions in New Zealand in 2023, and is about two-thirds of the national average.

Economic growth is vital for generating the resources needed to address some of the pressing problems affecting Te Taitokerau, such as poor housing, health and education.

Land use

Te Taitokerau Northland has extensive development on floodplains. Over the past few years, the major land use change has been the conversion of pastoral land to horticulture. This is expected to continue over the next decade. Further land use may be driven by the implementation of the National Policy Statement for Freshwater Management and changes to the Emissions Trading Scheme. This may for example, see an expansion in forested area. However, land use is not expected to significantly change within our region in a way that would significantly affect our services and costs over the next 10 years.

Weather

Climate change is predicted to cause higher temperatures and more extreme weather patterns in Northland, with rain events and periods of drought of greater intensity. Our Climate action section (see page 39 of this document) sets out climate impacts, strategies and assumptions.

Projected increases in rainfall intensity and sea level rise will affect the coping capacity of our flood projection infrastructure, meaning more flood project work. Our Infrastructure strategy (see page 25 of this document) identifies major flood-scheme projects over the next 30 years in Awanui, Kāeo-Whangaroa, Otiria-Moerewa, Kawakawa and the Whangārei urban area. Works are also soon to be implemented in Kerikeri-Waipapa, Matangirau, Kaipara Northern Wairoa, Whirinaki, Punuruku, Paparoa.

Payment of rates

Rates arrears are expected to continue. This issue predominately relates to the Far North district, where there are significant portions of Māori freehold land. Over the past three years, the Far North has collected about 88% of our rates compared with 96% in Kaipara and 96% in Whangārei. Similarly, the Far North collects around 18% of our rates arrears compared with 30% and 46% collected in Kaipara and Whangārei respectively. As a result, we had a net rates write-off of \$52,361 in the 2022/23 financial year (\$93,708 in 2021/22). We anticipate a similar level of rate write-offs in the years of this Long Term Plan.

We make an allowance for unpaid rates when setting our budget of between \$724,000 – \$1,060,000, funded from rates and general funds. The debt management teams of the region's three district councils proactively manage our debt arrears collection, and we'll continue to work with them on solutions to reduce our rate arrears.

Approach to funding levels of service

We must balance our role and purpose (as defined in the Local Government Act 2002) with wider community desires and what we believe will make a positive difference. We will listen to the community to ensure we are aware of their needs, and plan to maintain or increase the services we provide as efficiently as possible.

Efficient delivery of services must be carried out within the rating and borrowing limits set out in this financial strategy. We are confident that we can provide for the maintenance of existing levels of service, and increases where required, through prudent financial management and by focusing on the right activities.

We plan to increase spending on a number of new initiatives to meet government and community expectations, particularly of the council's role as environmental guardians, including:

- » continued investment in new flood projection schemes
- » freshwater and coastal water initiatives, including better science and government-subsidised programmes for land management
- » an increased pest control programme
- » providing for better partnerships with Māori
- » support services for increased core business.

The infrastructure strategy in this Long Term Plan sets out the council's role in managing flood risks, and how it intends to manage flood projection and control work assets. It helps us make informed decisions in the short term that position us to deal with major decisions and infrastructure investments in the future.

Investing in sustainable economic development

Council will continue to invest in sustainable economic development initiatives, as we believe this will make a positive difference to the economic wellbeing of Te Taitokerau Northland. Previously this investment was funded using a portion of council's investment income. Now it is funded through the **economic development rate** and investment returns from the **economic development reserve**. This funding will continue to be directed into council's **investment and growth reserve (IGR)**, from which investment allocations will be made.

In addition to council's funding, and as part of their commitment as a joint shareholder of Northland Inc, both the Kaipara District Council and the Far North District Council make an annual funding contribution to the IGR. The Whangārei District Council has approved funding contributions in 2024/25 and 2025/26 in their long term plan. Council is able to make a discretionary additional contribution from the economic development reserve into the IGR as needed, provided the balance of the economic development reserve does not fall below \$13.5 million.

The objective of the IGR is to provide a fund from which strategic investments can be made to lift the long-term growth of Te Taitokerau Northland's economy. Council has adopted criteria and procedures for the allocation of funding, to govern the allocation of funding from the IGR. The IGR is used to provide operational funding for Northland Inc, to support the development of projects to an investment-ready stage, and to make investments into projects that enable them to be implemented. One of the key functions of Northland Inc is to be the gateway through which projects are assessed, development and recommended for funding from the IGR.

Maintaining a balanced budget

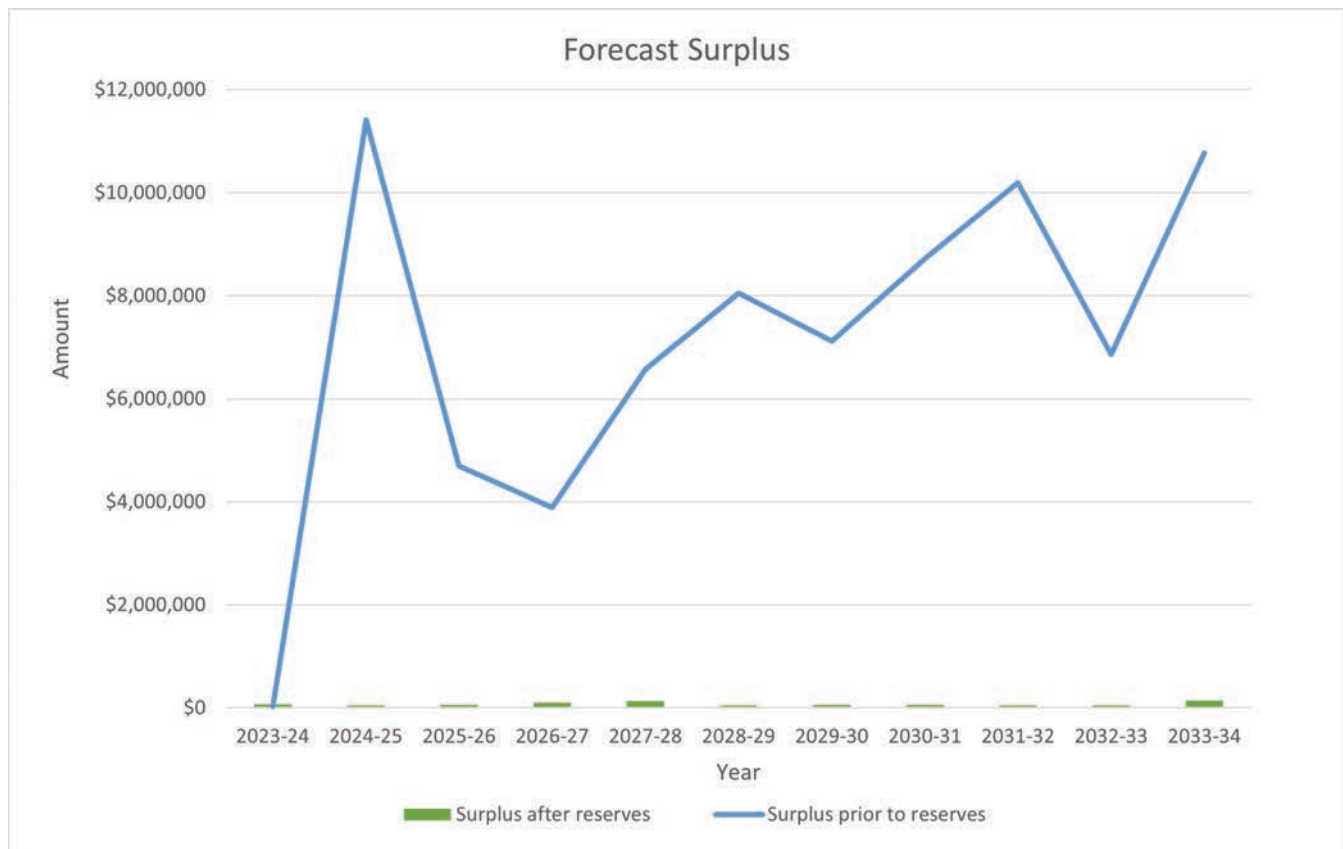
We aim to operate a balanced budget, meaning our operating expenditure, including depreciation, is covered by our available funding in each year. We are continuing to run the council with a small surplus. Our funding sources, including rates (targeted region-wide rates and specific targeted rates), investment income, user fees and charges, and grants and subsidies, continue to be sufficient to meet operating expenses.

We hold some of our funds in reserves, from which we can fund unexpected or unplanned expenditure. This enables us to extend and support increased service levels and a range of environmental and economic development initiatives, while limiting fluctuations in rate levels year to year.

We have forecast conservative surpluses after transfers to/from reserves and excluding any revaluations of less than \$148,751 for the term of this plan.

Operating reserve

This reserve was established to ensure the stability of work programmes, employment and ongoing day-to-day operations of council by ensuring that the portion of annual operating costs intended to be funded from gains derived from council's managed funds is in the reserve, to cover any unanticipated loss in council funding arising from adverse economic conditions or volatility in financial markets.



Investments

Managing capital values

The capital value of our non-cash investments (investment property, forestry, and shares held in Marsden Maritime Holdings Limited) are subject to market fluctuations. Generally, over the long term, we consider the value will appreciate at a rate similar to, or greater than, inflation and therefore the real value will be maintained. This is important as it ensures the comparative value is maintained for the benefit of today's and tomorrow's ratepayers. However, because the fair value of these assets does not directly impact our day-to-day funding and cashflows, our forecast financial statements assume no fair-value movements over the 10-year period of this plan.

We review and decide on a continuing basis whether to re-capitalise cash and cash-equivalent investments (stocks, bonds and convertible notes) to maintain their real values. This decision is made after taking into account the current market conditions and our desire to subsidise rates.

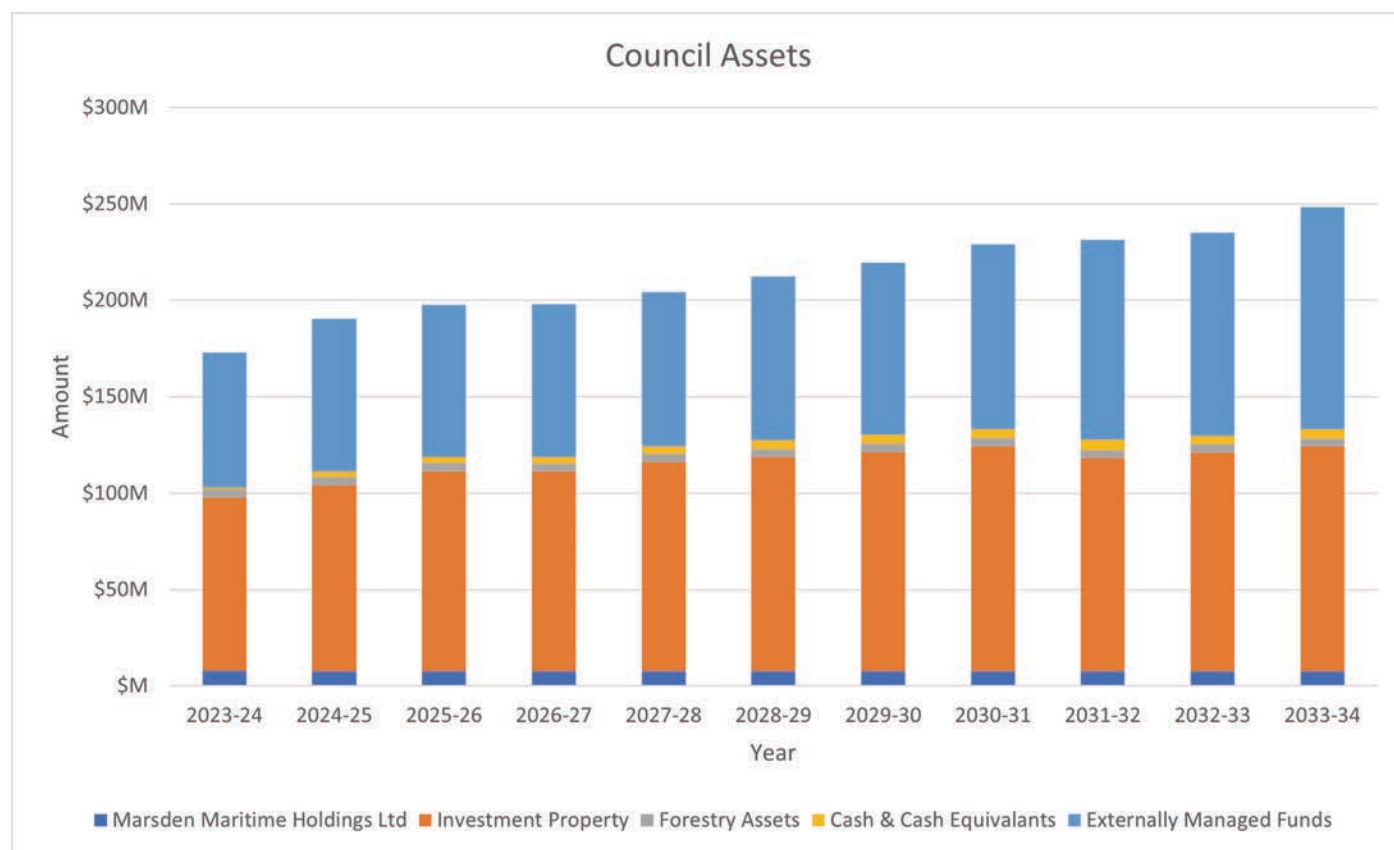
The economic development reserve is available for economic development initiatives. To ensure the integrity of the fund, it should not move below \$13.5 million.

Increasing returns on investments

We hold investments on behalf of the Northland community to produce a revenue stream that reduces our reliance on rates revenue and/or supports the wider economic benefit of the region. We must balance the desire to increase investment returns against the need to safeguard ratepayers' assets so the benefits can be enjoyed by future generations. Investment returns can be affected by influences outside the council's control. As per its investment policy, the council seeks to achieve a net realised return on its overall investment portfolio of 5% per annum, and a return of at least 7% per annum across its whole investment portfolio inclusive of unrealised revaluations.

The investment policy is informed by expert advice, and outlines how our investment portfolio is managed.

As an example of our reliance on investment income, a 1% decrease in forecast returns on investments (excluding forestry, which has highly variable returns year to year), and a one-cent-per-share reduction in the dividend from Marsden Maritime Holdings Limited, will result in average rates per rating unit or SUIP increasing by \$3.23 in a single year.



Marsden Maritime Holdings Limited (port company)

The objectives for holding shares in Marsden Maritime Holdings Limited are: to provide a revenue stream to be available to fund council work programmes and projects; to hold an investment asset on behalf of and for the benefit of Te Taitokerau Northland; and to hold a strategic asset (the LGA classifies a local authority's shareholding in a port company as a strategic asset).

Property

The objectives for holding investment property are: to provide a revenue stream to be available to fund council work programmes and projects; to hold assets on behalf of an regional community for strategic protection and development of the region; to meet statutory obligations in relation to endowment properties; and to achieve the best possible returns subject to the powers and provisions of the LGA, Public Bodies Leases Act 1969 and the Property Law Act 2007.

Forestry

The objectives for holding forestry investments are: to provide an income stream to be available for projects that contribute towards economic wellbeing for Te Taitokerau

Northland; and the development, maintenance and protection of the council's timber plantations to maximise long-term revenue, while meeting the council's environmental responsibilities.

Cash and cash equivalents

The objectives for holding investments in cash and cash equivalents are to maximise returns and to protect council's investment capital within the risk profile as set by council.

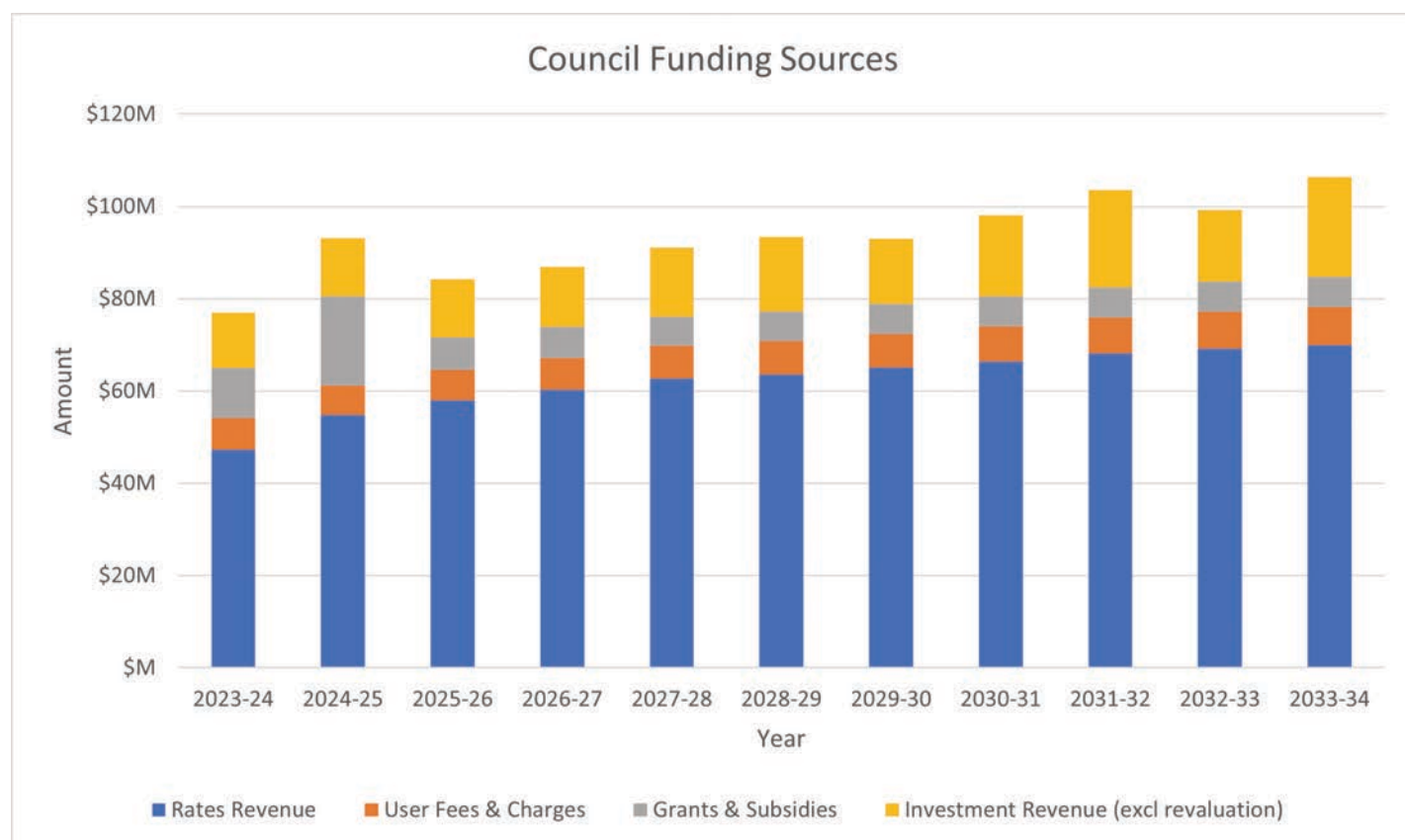
Externally managed funds

The objectives for holding investments in externally managed funds are to maximise returns and protect the council's investment capital. Further purposes of managed funds are defined in each fund's statement of investment policy and objectives.

Funding our expenditure

We pay for our activities through a range of funding sources. The way we fund each activity is set out in the revenue and financing policy, on page 153 of this document.

The funding mix over the period of the Long Term Plan is set out in the graph below.



Rates

Rates limits

Total rates will not exceed 75% of total revenue.

Total rates increases will not exceed 15% on average per SUIP² in any one year.

Our rate limits represent a balance between:

- » addressing a range of issues facing the region
- » increased community and government expectations
- » continuing to manage our financial resources prudently by maintaining a strong and sustainable financial position, and
- » remaining mindful of the affordability of rates.

Over the 10 years of this plan, the average annual rates increase is \$22.19 (3.5%) per rating unit or SUIP.

However, the average increases in 2024/25 and 2025/26 are, at \$57.43 (9.9%), much higher than the 10-year average. This is an anomaly caused by increases in service levels, particularly in flood risk reduction, climate change, Māori partnerships, support services and increased pest and predator management. In 2024/25 we exceed our total rates increase limit of 15% per year with an increase of 15.94%.

² SUIP = separately used or inhabited part of a rating unit

For the remaining eight years of this plan, much more modest increases on average per SUIP are forecast, between 0.47% (\$3.63) and 3.53% (\$24.61). We achieve this by continuing to use some of our investment earnings and reserves to help fund operating expenditure.

After the initial step-change in years one and two, we will smooth any rate increases over the following eight years, to help give ratepayers certainty about their rates bill. We'll do this by conservatively estimating expenditure that is highly variable, on the understanding that the equalisation reserve can be used for distinct and one-off costs if necessary. The equalisation reserve will maintain a minimum balance of \$250,000.

The council is confident it can continue to provide and maintain existing levels of service within the rates and borrowing limits, and provide the new initiatives.

Targeted region-wide rates

We use targeted region-wide rates to fund operational activities where it is impossible or impractical to clearly identify customers or users, or to fully recover costs from those who benefit from the situation or make the situation worse. Targeted region-wide rates are also used to fund those activities that the council considers provide a public benefit or public good.

The targeted region-wide rates are:

- » Council Services Rate

- » Land and Freshwater Management Rate
- » Pest Management Rate
- » Flood Infrastructure Rate
- » Emergency and Hazard Management Rate.

Specific targeted rates

The council will use specific targeted rates where it provides services to a specific area or group within the regional community but there is no mechanism to directly charge those who benefit from the situation or make the situation worse, or for transparency and accountability reasons. The activities funded may have a wider community benefit or public good, but a group derives a direct or greater benefit from the provision of the activity. Where appropriate, only this group will be targeted to pay for some or all of the service.

The specific targeted rates include:

- » Transport rates (Whangārei and Far North)
- » River management rates (Awanui, Kaihū, Kāeo-Whangaroa, Whangārei urban, and Taumārere rivers)
- » Regional economic development rate
- » Regional sporting facilities rate
- » Regional rescue services rate.

All flood schemes that have both operational and capital works are managed to spread the cost (and loan repayment, if any) over a suitable period that takes into account the period of benefit, inter-generational equity and affordability. The river management rates are constant throughout the term of the plan. Where external grant funding is available to contribute to flood works, rates may change to reflect this.

The transport, specific targeted rivers, regional sporting facilities, and regional rescue services rate will not increase by BERL inflation in this plan. We may consider these rates for inflation adjustment in the future.

Balancing affordability and who pays

Getting the right balance in terms of who benefits and who pays for services, against affordability, wider social benefits and important flood projection and control work infrastructure, is essential. These elements are closely scrutinised when the council proposes and establishes its rates.

The same scrutiny is applied (private versus public benefit) in setting user fees and charges. The way that we fund each activity is set out in the revenue and financing policy on

page 153 of this document. The user fees and charges are set out in the charging policy on our website: www.nrc.govt.nz/ltp2024

Managing our infrastructure assets: flood projection and control

All the council’s infrastructure assets are related to our river management activity. They include stopbanks, floodgates and other river scheme assets to protect areas from flooding.

We currently have flood control infrastructure assets in place in Awanui, Kāeo-Whangaroa, Whangārei, Otiria-Moerewa and Panguru. The value of these infrastructure assets is \$39 million (at 30 June 2023). More detailed information can be found in the Te whakahaere waipuketanga - Infrastructure strategy: Flood management and control and on the council’s website www.nrc.govt.nz/riverflooding

In response to demand, the infrastructure strategy provides for new and extended flood schemes. Assets also need to be maintained so they keep on functioning as expected. In conjunction with the affected communities, we aim to find the right balance between providing the necessary infrastructure and the ability of affected communities (and the region) to pay. The capital cost of providing new capital flood scheme works will be split between the targeted flood infrastructure rate (70%) and the specific flood/river scheme rates for Awanui, Kāeo-Whangaroa, Whangārei urban rivers, Kawakawa and Otiria-Moerewa (30%). Further detail on the criteria applicable to this 70/30 split can be found in the Te whakahaere waipuketanga - Infrastructure strategy: Flood management and control

The following table shows the cost of these capital works.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Kāeo	1,535	-	250	500	-	-	-	-	-	-
Awanui	-	65	65	85	275	190	170	-	-	-
Whangārei urban rivers	-	130	450	-	-	-	-	-	-	-
Whangārei mitigation	-	-	-	-	-	-	-	-	-	-
Kawakawa	200	-	-	-	-	-	-	-	-	-
Otiria-Moerewa - new	885	-	-	-	-	-	-	-	-	-
Marae flood schemes - new	630	40	30	-	-	-	-	-	-	-
Whirinaki - new	800	-	-	-	-	-	-	-	-	-
Punuruku - new	735	-	-	-	-	-	-	-	-	-
Paparoa - new	-	-	65	65	170	-	-	-	-	-
Matangirau - new	565	-	-	-	-	-	-	-	-	-
Kerikeri-Waipapa - new	130	65	170	170	-	-	-	-	-	-
Kaipara Northern Wairoa - new	-	-	65	65	170	170	-	-	-	-
TOTAL	5,480	300	1,095	885	615	360	170	-	-	-

Borrowing

Borrowing is intended to achieve a degree of inter-generational equity. It allows ratepayers to fund projects over an extended period of time, in part reflecting the lifetime of the asset or project, and the benefits from it. The council can borrow externally, or internally from its reserves. The council may borrow externally to fund infrastructure assets where investment returns are forecast to exceed external borrowing costs. This approach will be reviewed. The council's liability management policy is informed by expert advice, and contains the criteria by which our borrowing decisions are made.

The council is a non-rated, guaranteeing participant of the Local Government Funding Agency (LGFA). The council's projected borrowing over the period of this plan peaks at \$34.9M in 2026/27, which is well within our current borrowing policy limit of \$161.7M. As a guarantor member council guarantees the obligations of the LGFA. The guarantee provides for a proportionate liability based on the relative share of total rates revenue of all guarantors. Standard and Poor's ascribe a AA+ credit rating to the LGFA with a positive outlook (i.e. may improve to AAA, the highest possible credit rating). This credit rating implies a 0.15% probability of default over the next five years. Therefore, the risk associated with council being a guaranteeing member of the LGFA is considered to be low.³

Borrowing limits Total revenue is defined as cash earnings from rates, government grants and subsidies (excluding one off grants or subsidies), user charges, interest, dividends, financial and other revenue, and excludes non-government capital contributions (e.g. developer

contributions and vested assets). Net debt is defined as total consolidated debt, less liquid financial assets and investments. Net interest is defined as the amount equal to all interest and financing costs, less interest income for the relevant period. Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.

- » Net debt will not exceed 175% of total revenue.
- » Net interest will not exceed 10% of total revenue.⁴
- » Liquidity will be greater than 110%.

Compliance with these limits over the 10 years of the Long Term Plan is demonstrated in the financial prudence section on page 147 of this document.

Policy on securities for borrowing

To borrow money externally, we must offer our lenders some securities, just like residents do with their mortgage. Like most councils, we usually secure our debt against our rates revenue.

When we borrow externally, we provide a debenture trust deed prior to accessing funds. Under a debenture trust deed, our borrowing is secured by a floating charge over all council rates assessed under the Local Government (Rating) Act 2002. In such circumstances, the security offered by the council ranks equally ('pari passu') for all stock issues by the council.

³ As assessed against the financial threshold set out in council's significance and engagement policy.

⁴ Section 21(1) of the Local Government (Financial Reporting and Prudence) Regulations 2014 states that a local authority meets the debt servicing benchmark for a year if its borrowing costs for the year are equal to, or less than, 10% of its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) for the year.

Where appropriate, we may seek project financing that may have a charge over a project or specific assets rather than rates. Physical assets will only be charged where:

- » there is a direct relationship between the debt and the purchase or construction of the asset which it funds (such as an operating lease or project finance)
- » the council considers a charge over physical assets to be appropriate, and
- » any pledging of physical assets complies with the terms and conditions contained within the debenture trust deed.

The council may use its reserve and special funds, and refers to this activity as 'internal borrowing'. The use of special funds and reserve funds (and internal borrowing of special funds/reserve funds and other funds) will be on an unsecured basis.

Loans for infrastructure assets

The capital infrastructure of our river management schemes is expected to have a useful life of up to 150 years. The council used internal and external borrowing for the Whangārei urban, Kāeo-Whangaroa and Awanui river schemes.

The council will borrow externally to fund future river schemes and any other large infrastructure projects as they arise. The maximum loan period is 30 years. The actual loan period is determined after considering the extent of the capital works and the period of benefit, affordability, and commitment of future generations. Rates will be collected to ensure the council has sufficient funds to repay these loans when they are due. The rates collected will be held and invested in managed funds until the loans are due.

In some cases we are unable to borrow for the equivalent period for which the rate has been set. In these cases a partial loan repayment will be made at the end of the loan period and a new loan raised for the residual amount. Whenever possible this is avoided as it represents an elevated interest rate risk.

Internal borrowing rates

In determining the internal borrowing rate, council considers the long-term returns that it earns on its reserves/investments. The actual internal borrowing rate is subject to change and is reviewed by the council annually.

For the purposes of budgeting, the cost of internally borrowed funds is 4% per annum. Interest may be applied to a reserve balance when in surplus by \$50,000 or more funds at a rate of 3% plus the 90-day bank bill rate.

If there are marked changes to the cost of borrowing or the return available on safe investments, the council may (by special resolution) set an internal borrowing rate that reflects the actual market conditions at the time the internal loan is established.

Te whakahaere waipuketanga

Infrastructure strategy: Flood management and control



Overview

This strategy has been prepared for flood risk management infrastructure as required under the Local Government Act 2002, section 101B. The Local Government Act (LGA) 2002 Amendment Act 2014 included provisions that require councils to prepare an infrastructure strategy for at least a 30-year period, and to incorporate this into long-term plans. The purpose of this strategy is to:

- » identify significant infrastructure issues over the period of this strategy
- » identify the principal options for managing those issues, and the implications of those options
- » outline how Northland Regional Council (the council) intends to manage its flood projection assets, and what the most likely scenario is for the management of these assets.

This strategy presents a 30-year plan for the council's flood projection and control assets. It will help us make informed decisions in the short term that will position us to deal with the major decisions and investments that will occur in the next 10-30 years.

Te Taitokerau Northland's flood scheme infrastructure currently comprises six main flood management schemes: the Awanui flood scheme; Otiria/Moerewa flood scheme, the Kāeo-Whangaroa flood scheme; the Hopua te Nihotetea detention dam in Whangārei; flood management works in the Kerikeri-Waipapa catchment, and flood management works in the small Hokianga settlement of Panguru. These schemes have a combined asset value of \$39 million.

The Whangārei, Otiria/Moerewa, Kāeo-Whangaroa, Kerikeri-Waipapa and Panguru flood schemes have been constructed in the past 10 years, so the assets are relatively new. An upgrade of a section of stopbanks in the Awanui scheme through Kaitia is currently underway as well as works in Otiria/Moerewa. We anticipate that maintenance/upgrade on these new assets over the period of this infrastructure strategy will be limited. New capital expenditure is planned to extend the Kāeo-Whangaroa, Taumarere, Hokianga and Whangārei flood schemes within the first 10 years of this strategy.

The Awanui flood scheme is much older, and its assets are variable in age and condition. This scheme is also much more extensive than the other two schemes, in terms of the length of stopbanks and the spillway, and the number of floodgates that the council is responsible for. Maintenance and renewal costs are significantly higher. A review of the Awanui flood scheme identified a number of major upgrades that are likely to be required, which are included in this infrastructure strategy as well as in other financial planning included in this Long Term Plan.

Te Taitokerau Northland context

Te Taitokerau Northland is a long, narrow peninsula with a subtropical climate. It has a land area of 13,286km², of which 526km² is classified as alluvial and estuarine plains and low terraces, much of which is prone to flooding. More than 50% of the land is in pasture and 10% in forests. Northland's mainland coastline is 3,127km long, and a high proportion of the population live in coastal settlements, including the main urban centres of Whangārei and Dargaville. The region, therefore, has a relatively high exposure to potential sea level rise and future coastal inundation, and this is clearly shown in council's coastal flood hazard maps.

River flooding provides the highest natural hazard risk to the region because of the extensive development on floodplains and the region's exposure to high-intensity rainfall events. River flooding affects many of the region's main urban centres and smaller townships. It presents a risk to human life, disrupts communications and access, and damages property and infrastructure. River flood hazard has been mapped for the entire region.

Demand assumptions

Unlike the demand for a number of other infrastructure types, the demand for flood projection and control works is not directly related to population growth. Instead, demand is driven by:

- » the geographical extent of population centres and assets sited within floodplain areas
- » public perceptions of flood risk, and acceptable levels of flood risk
- » population density within at-risk areas, which has a bearing on level of service expectations.

Future demand for flood protection works can be reduced via alternative interventions such as land use planning, managed retreat from at-risk areas, and investment in improving the resilience of assets located within at-risk areas. Effective land use planning requires at-risk areas to be mapped with some precision. The council commissioned a land information LIDAR (Light Detection and Ranging) survey across the whole region, which has enabled flood risk to be mapped across all catchments and around the coast.

We consider that population growth within floodplains is unlikely to make a significant difference to the funding basis of flood schemes, or on the demand for services over the timeframe of this strategy, especially in rural areas. This is primarily due to improved land use planning, based on more accurate flood mapping. However, identifying flood risk areas across the whole region, including areas that may be affected by future climate change, does have the potential to change public perception of flood risk. If sea

level rise becomes evident to the public, public demand for flood protection works in coastal areas is likely to increase significantly over the timeframe of this strategy.

In 2008 we identified 26 river catchments where we considered the risks from river flooding were highest to communities and essential infrastructure throughout Te Taitokerau Northland – the Priority Rivers Flood Risk Reduction Project. The rivers and streams in these priority catchments pose potential threats to life, buildings, road access, infrastructure and agriculture. River management plans were developed for these 26 catchments, documenting the potential flood risks and identifying mitigation options to reduce the impacts of flooding. In 2018, two additional river catchment flood models were developed for Waipū and Paparoa. In 2021 regionwide river flood modelling was undertaken to allow the council and the community to better understand the risk areas and potential impact on the region's communities. In 2023 a Strategic Flood Risk Management Project was undertaken to prioritise the flood adaptation works programme, the capital works programme below has been prioritised based on this project.

In many cases it is not physically possible, nor affordable, to provide communities with total protection from flooding in Northland. In this context, we work with communities to identify at-risk areas, develop community response plans and issue flood warnings to reduce flood risks.

Vision for the community over the next 30 years

The overall vision for this strategy is to progressively reduce the flood risk to defined and achievable levels in a cost-effective manner, integrating environmental and climate change considerations.

A starting point for this vision is the assumption that if no intervention was made, existing levels of service would gradually reduce due to asset deterioration and projected climate change effects.

When looking ahead, we expect flood projection will be a major activity for us. The vision includes pro-active consultation and planning to put in place strategies and structures that will endure well beyond the timeframe of this strategy.

Overview of flood projection assets

Existing flood projection infrastructure

At the current time, we have flood control infrastructure in place to reduce flood risk in four scheme areas:

- » Awanui flood scheme (asset value of **\$27,897,000**)
- » Kāeo-Whangaroa flood scheme (asset value of **\$1,058,272**)
- » Whangārei (asset value of **\$8,975,000**)
 - » Hopua te Nihotetea detention dam, part of the Whangārei urban rivers flood scheme
 - » Woods Road flood wall, part of the Whangārei urban rivers flood scheme
- » Panguru flood scheme (asset value **\$1,208,422**).

Details of each scheme are shown in the following table.

Summary of existing flood projection infrastructure

	Total value of assets (NRC Annual Report 2023)	Types of assets	Age of assets	Annual depreciation (2023)	Level of service objective (flood protection)	Current level of service
Awanui flood scheme	\$27,897,000	89.9km of stopbanks and 142 floodgates	Stopbanks: varies, majority constructed prior to 1970 Floodgates: average 35 years	\$282,414	Urban areas: 1:100 years Rural areas: 1:20 years	Urban Kaitiāia: 1:100 years (upgrade 2023) Rural areas: <10 years
Otiria-Moerewa flood scheme	Formal value assessment not yet done as project was under construction during 2023 valuation.		Assets under construction 2023	N/A not calculated: works underway 2023	TBC	TBC
Kāeo-Whangaroa flood scheme	\$1,058,272	30,000cu m of stopbanks, 1 spillway, 1 flood wall and 4 floodgates	All assets constructed in 2013/14	\$7,605	Township: 1:20 years	Township: <1:20 years
Whangārei urban rivers flood scheme	Hopua te Nihotetea dam and Woods Road flood wall: \$8,975,000	Detention dam: 18m high Flood wall: 112m long	Dam constructed 2014/15 Flood wall constructed 2019	Dam: \$79,610 Flood wall: \$8,847	Urban CBD: 1:50 years	Urban CBD: <1:20 years
Kerikeri-Waipapa flood scheme	Formal value assessment not yet done as project was under construction during 2023 valuation.		Assets constructed 2023	N/A not calculated: works completed 2023	TBC	TBC
Panguru flood scheme	\$1,208,422	1.6km of stopbanks, 60m spillway and one floodgate	Stopbanks: varies, some newly constructed 2019/20	\$12,329	1:10 years for West Coast Road 1:5 years for Otengi Road	1:10 years for West Coast Road 1:5 years for Otengi Road

Awanui flood scheme

The key levels of service for the Awanui flood scheme are contained within the scheme's asset management plan, including specific details on how we renew or replace our existing assets. Renewing floodgates and maintaining stopbank assets is scheduled to be undertaken prior to the end of expected life.

Kāeo-Whangaroa flood scheme

The key levels of service for the Kāeo-Whangaroa flood scheme are contained within the scheme's asset management plan, including specific details on how we renew or replace our existing assets.

The completed stage one of the Kāeo-Whangaroa flood scheme was designed to prevent high-velocity floodwaters from Kāeo River flowing through the township. While the Kāeo stopbanks are designed to be above the 1:100-year flood level, the township is still exposed to flooding from the Waikare Creek as well as from backwater from the Kāeo

River. This Long Term Plan includes implementation of stage two of the Kāeo flood scheme. Other Kāeo-Whangaroa river works to be implemented under this Long Term Plan include the construction of a new floodway at Matangirau.

Whangārei urban rivers flood scheme

Hopua te Nihotetea detention dam and Woods Road flood mitigation works

The key levels of service for the Hopua te Nihotetea (Kotuku Street) detention dam and the Woods Road flood projection works (flood wall) are contained within the Whangārei urban rivers asset management plan, including specific details on how we renew or replace our existing assets. We do not anticipate that the Hopua te Nihotetea dam or the Woods Road flood wall will require significant renewal or replacement expenditure in the first 30 years of operation (having been constructed in 2014/15 and 2019/20 respectively).

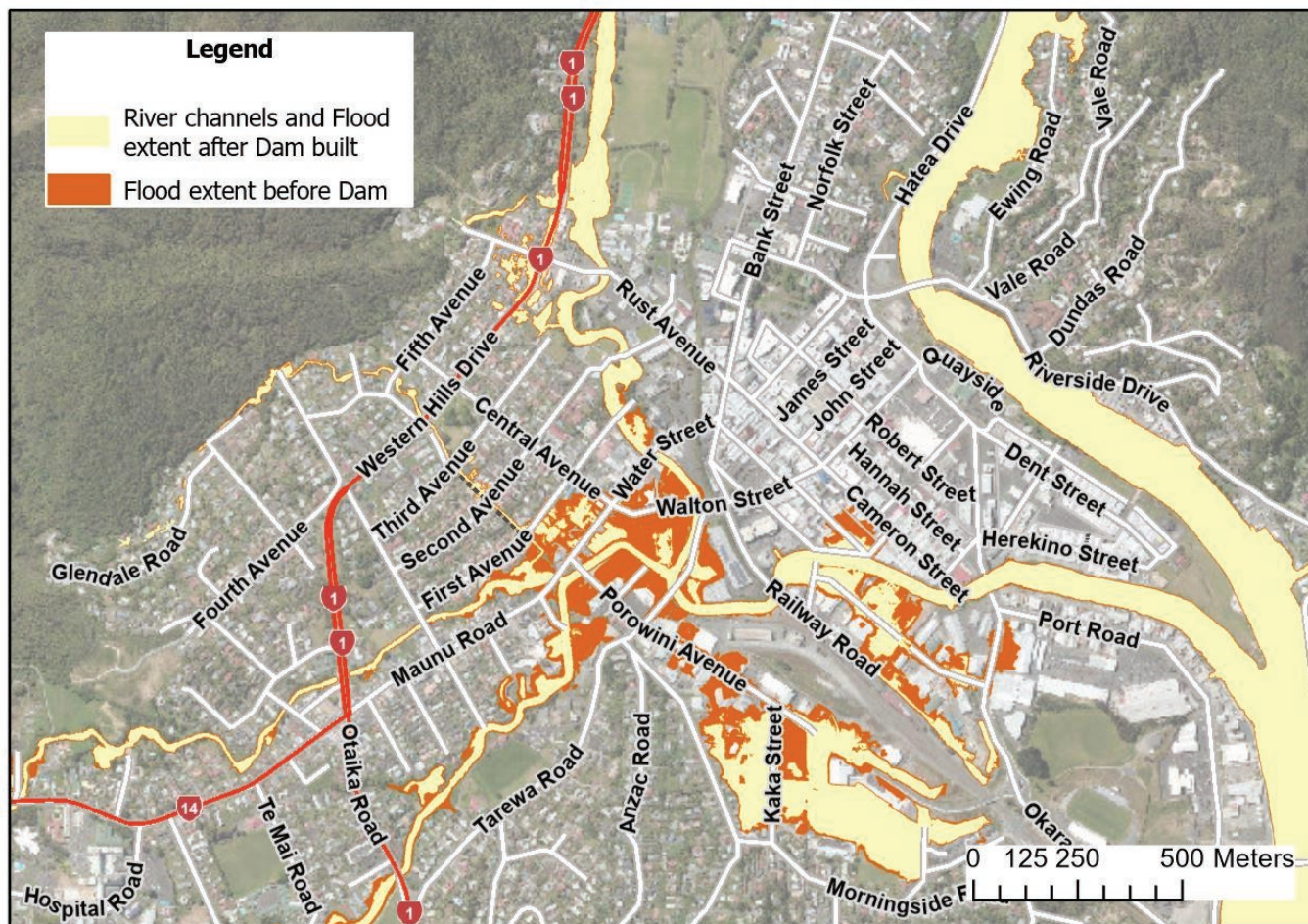
Panguru flood scheme

The key levels of service for the Panguru river scheme are contained within the scheme's asset management plan. We do not anticipate that the Panguru scheme will require

significant renewal or replacement expenditure in the first 30 years of operation.

Details of the Otiri-Moerewa and Kerikeri-Waipapa works to be included in next infrastructure strategy once complete/as-built information available.

Impact of the Hopua te Nihotetea detention dam on the 1:50-year flood extent in the CBD



Significant issues, options and implications

The most significant high-level strategic issues facing our flood projection and control infrastructure are outlined in the table below, with options to address them. Decisions over specific works options for existing and new flood schemes are outlined later in this document.

Strategic overview of issues and options for flood projection assets

Issue	Issue summary	Principal options	Implication of options	Preferred option
Climate change	If climate change projections are realised, protecting floodplains and low-lying coastal areas will become less sustainable and more expensive over time. Levels of service associated with flood projection assets will gradually reduce and public demand for protection will be likely to increase. There may also be a need for council to increase its role in providing coastal protection.	Protect Retreat Accommodate	Depending on the context, this may be a preferable short- to medium-term approach but costs will gradually increase over time, especially for coastal areas vulnerable to sea level rise. There is potential for managed or unmanaged retreat from at-risk areas. The main implications are loss of land or development potential, and likely expectation for compensation. Land use planning to regulate new development is a first step in a retreat strategy. A strategy of less intervention means lower initial cost. Gradual adaptation over time through more resilient buildings and infrastructure. Requires acceptance of reducing levels of service over time.	The preferred option is likely to be location and context specific. The various options may each be suitable for different areas. Consultation and planning through an adaptive pathways planning process is required to determine optimal adaptation options.
Renewal/ replacement of assets	Ageing assets will require renewal or replacement at end of design life.	Renewal at end of design life to design standard/level. Renewal at end of design life with upgrade to maintain/increase level of service. Replace with alternative structure, including potential relocation of asset.	Depends on design standard but likely to result in reduction of level of service over time. Short-term saving relative to other options. Maintains level of service for a finite period of time but without flexibility to re-configure areas to be protected to achieve efficiencies. Consistent with a managed retreat option from areas that have highest residual risk, and are more expensive to defend. High initial cost due to asset relocation and lost land. Opportunity to set back stopbanks and create wider flow paths to raise level of service.	The Kāeo, Panguru and Whangārei flood schemes require no renewal or replacement over the next 30 years. Awanui flood scheme assets are being renewed currently (stopbanks through township).
Demand for services	Demand for services likely to increase due to region-wide mapping of flood risk. Increased demand is anticipated if/when climate change effects become readily apparent.	Limit increase in demand by identifying at-risk areas, and promote regulatory approach to risk avoidance for new development. Limit number of schemes/extent of existing schemes.	Not directly related to management of flood protection assets, but critical to limiting increase in future demand. Fails to meet current demand, or anticipated increase in demand. Lower flood scheme cost but higher flood damage cost.	Limit increase in demand through land use planning and respond to future demand by expanding number of flood protection schemes.

		Increase number of schemes, and extent of existing schemes.	Responds to current demand, and anticipated increase in demand. Higher flood scheme cost. Flood damage cost minimised.	
Levels of service (existing schemes)	Levels of service are not always well defined or met. Actual level of service from existing assets is likely to reduce over time due to climate change impacts and geomorphological changes.	Upgrade existing assets in the Awanui flood scheme to meet current levels of service.	Limited initial cost to meet current intended levels of service.	Upgrade and expand assets for existing flood schemes to meet target levels of service.
		Upgrade and expand assets.	Considerable investment required to reduce flood risk to urban Kaitiāia.	
Public health and environmental outcomes	Flood schemes are required to prevent or reduce public health and environmental impacts associated with flood events. Levels of service and resilience for scheme assets are likely to be affected by new regulation such as a National Policy Statement for Natural Hazards, and the outcomes from independent reviews (such as into the Edgecumbe flooding of April 2017).	Implications and principal options are unclear until the regulation or information is made available. Presumption is that flood protection assets will need to comply with any new requirements.	Complying with new requirements is likely to incur a cost. Non-compliance is likely to incur a liability risk, however there should be a grace period over which compliance with new requirements can be achieved.	Comply with new requirements in a cost-effective manner.
Resilience of infrastructure	Resilience of flood protection infrastructure may be compromised due to structural failure, or effects of climate change.	Maintain assets to design standard. River channel banks through urban Kaitiāia require targeted toe protection to ensure bank stability.	New scheme works at Whangārei and Kāeo are designed to be resilient over the next 100 years. Kaitiāia river bank stabilisation works to be undertaken. Potential liability risk if these works are not completed.	Implement measures to safeguard resilience of flood channels that protect urban areas.

Recurrent themes in the preceding table are the affordability and resilience of assets, and uncertainty associated with current and future flood risk.

Affordability relates to the ability to continue to invest in the maintenance, renewal and upgrade of infrastructure, and depends on the condition of the assets, what increases in service level are required, and the ability of ratepayers to fund the works. We will continue to strive to ensure that the flood projection and control works are affordable by providing options that can be sustained on both a financial and an operational basis. Funding policies have been reviewed for flood scheme works, and a Flood Infrastructure Rate (established under the 2018 Long Term Plan) will fund 70% of qualifying capital works on flood schemes to reduce the burden on the local targeted rate.

Ensuring our infrastructure assets are resilient in the face of future climate change and natural hazards is important in continuing to protect our communities in flood-prone areas. Flood scheme works implemented since 2010 have been designed to be resilient in a 1:100-year event, and

allowing for climate change effects in line with the Ministry for the Environment's publication 'Coastal hazards and climate change: guidance for local government' (2017)¹.

While we have modelled flood risk and gained an understanding of the risk profile, a degree of uncertainty remains. Floodplains and river channels are dynamic, and it is not possible for us to model all potential storm profiles and flood scenarios, including the potential for structural failure of flood projection assets and long-term accretion of floodplains. Climate change effects are currently predicted to fall within a wide range, and it is likely that over the course of the next 30 years, climate change projections will be refined, resulting in greater certainty. Additional hydrological data collected over time will also facilitate more accurate modelling of flood dynamics. The data is collected by council's hydrology department, and collaboration is important to ensure resources allocated accordingly. This will facilitate the design process, especially in relation to the timing of replacement or upgrading of affected scheme assets.

¹ <https://storymaps.arcgis.com/stories/dfca2596e9c4412bac068a6fb462c1ea>

Management of future flood protection works

Significant decisions have been made on management of flood protection works in Te Taitokerau Northland, including which new flood schemes to construct, and which existing schemes should be expanded or upgraded to increase levels of service.

Significant decisions about capital expenditure

A timeline of new flood infrastructure projects, including upgrades to existing and new schemes, is shown in the following image. The timing of future decisions required for these flood schemes is also identified. As can be seen from the timeline below, work on the flood schemes is planned to be undertaken within the period of the Long Term Plan 2024–2034.

This infrastructure strategy includes a capital works programme of up to \$19.2 million over the first 10 years and operational expenditure of \$18.6 million over the same time frame.

Funding methods

Flood control schemes have historically been funded by targeted rates collected from the properties that are within the defined catchment area of each scheme. Funding for large capital works projects has been borrowed from the council and repaid over a set period from the revenue received from targeted rates. Occasionally these works also receive grant subsidies from central government.

Under the Long Term Plan 2018–2028 a Flood Infrastructure Rate was adopted so that new qualifying capital works for flood protection will receive at least a 70% subsidy. The remaining 30% will be collected from the local targeted rate, which will also be used to cover all on-going operational and maintenance costs of each scheme. The flood infrastructure rate is assessed at a region-wide level to address priority areas and for smaller settlements with a significant flood risk but low rating base. The region-wide flood infrastructure rate funds all of council's wider flood

management activities. A number of criteria apply to new work to be part-funded by the flood infrastructure rate. These criteria were adopted in the 2018/19 year and apply every year following unless otherwise resolved by decision of council.

- » The work must take place in an area that has been identified as a priority rivers area. This currently includes rivers and catchments where priority has been allocated on the basis of flood risk to lives, buildings, road access, infrastructure and agriculture.
- » The rate would fund work for high risk urban or residential areas only, with protection schemes for farmland alone excluded.
- » There must be demonstrable community support for the works.
- » Funding would only apply to new capital work, with any operational work required funded by targeted rates.
- » The rate would fund 70% of the cost of work where the total cost is \$1,000,000 or more, with the balance of the work funded from targeted rates on the area.

In areas where capital works will cost less than \$1,000,000, and it is not practicable to establish a targeted rate, the flood infrastructure rate will fund 100% of the cost of the flood works. It may not be practicable to establish a targeted rate where there are less than 1,000 rating units, where the benefits of the flood works are limited to a very small area, or where the rate to be collected would amount to less than \$100,000 a year.

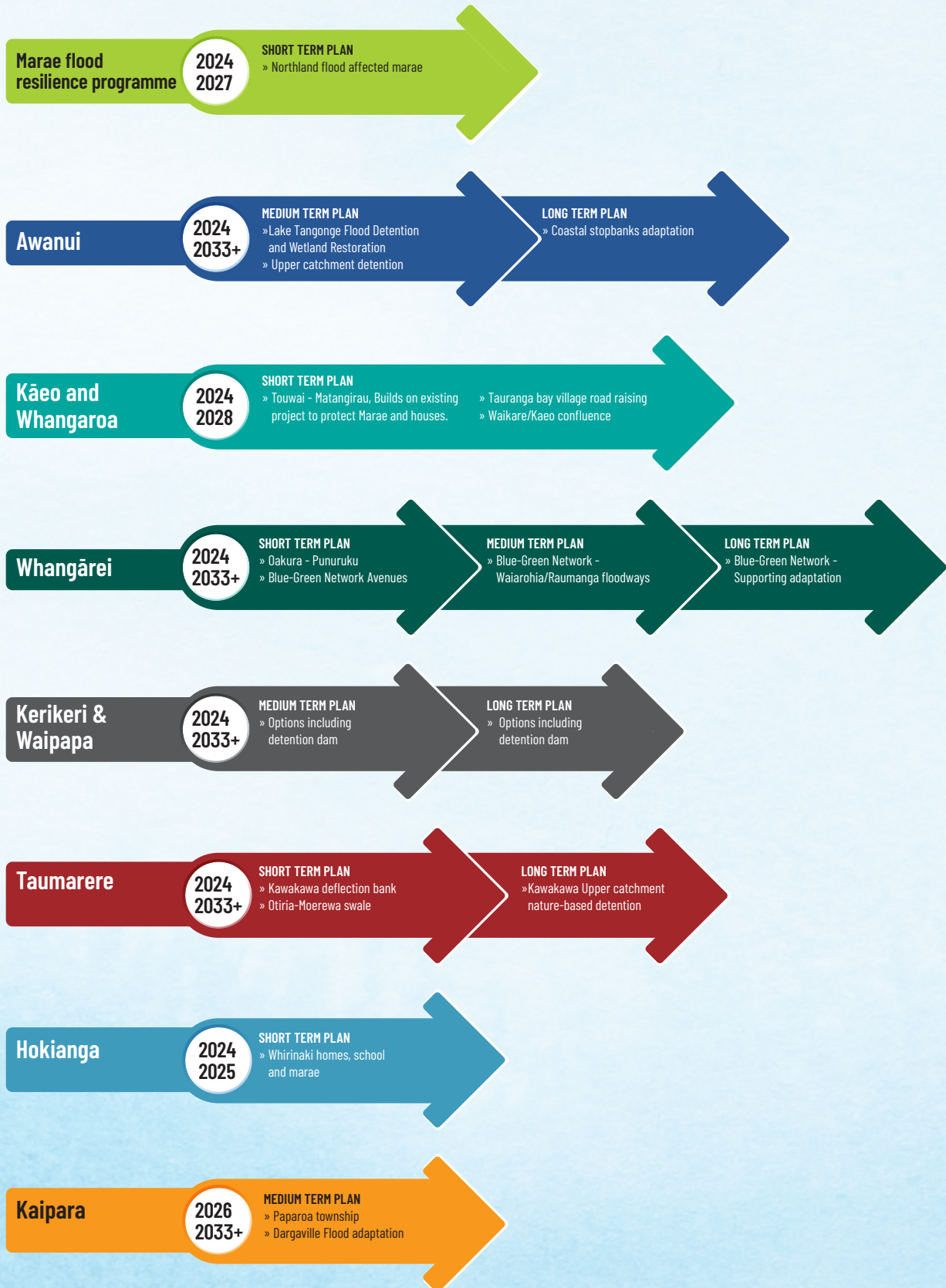
Note that the region-wide rate will cover the cost of investigation and design of all schemes, with the 70/30 split applying to construction work over the agreed limit.

Central government has approved funding for flood resilience. This funding has been split between a number of projects in the significant decisions about capital expenditure table below. Far North District Council has also provided funding to reduce flood risk in the Far North district. The value of the funding is shown in the table below. The total funding from a flood infrastructure rate and local targeted rates will decrease for relevant projects relative to this external funding.

External funding approved 2023

Total fund	
Central Government's Flood Resilience Fund	\$4.2M
Far North District Council fund	\$650,000

Flood Infrastructure Plan



Significant decisions about capital expenditure

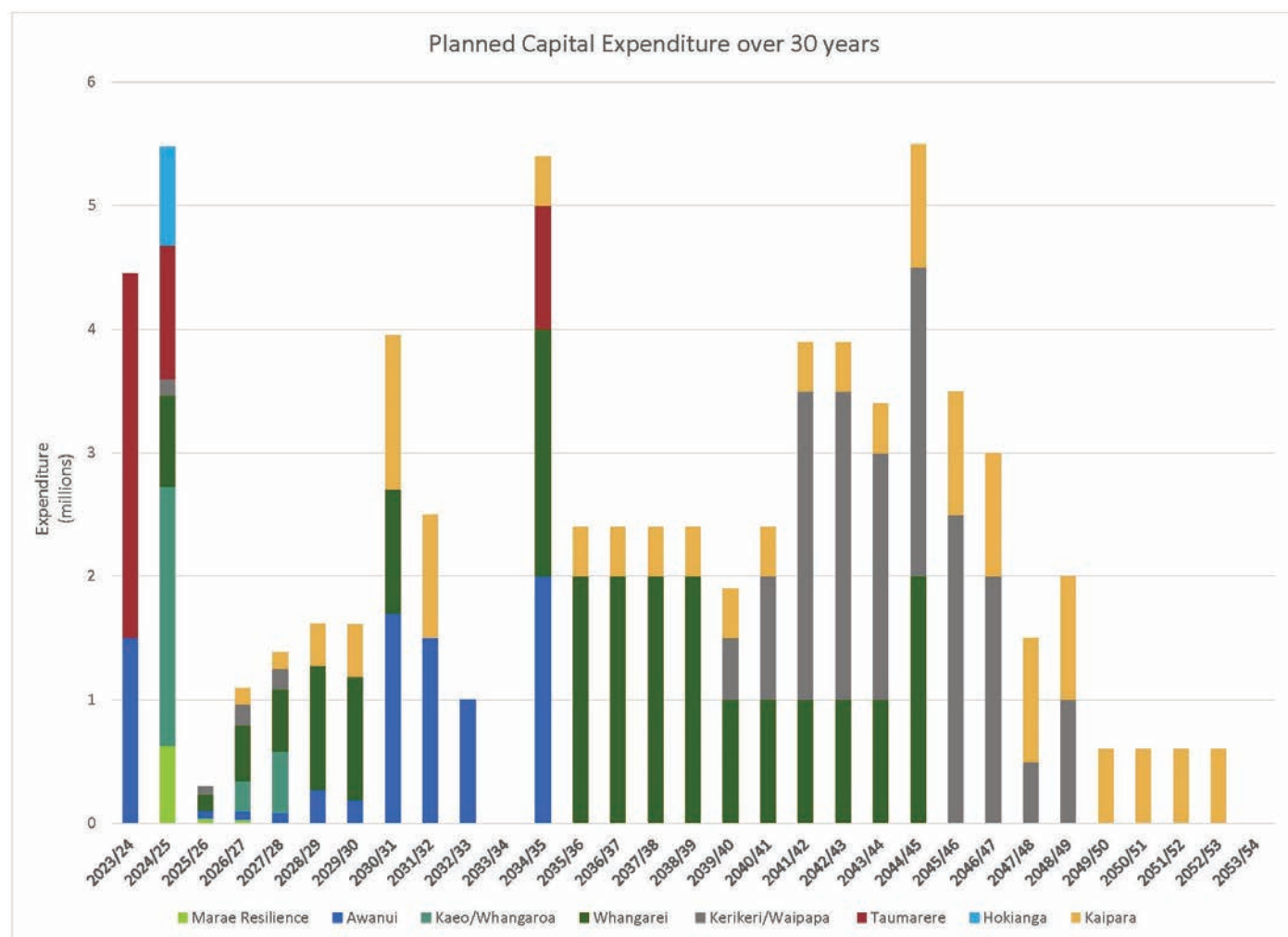
	Major works options	Estimated capital expenditure	Year/s for works	Decision required by
Marae flood resilience programme	Northland flood-affected marae	Design and construction: \$700,000	2024-2027	LTP 2024
	Engagement, investigations, design and implementation work to systematically work with 35 flood-affected marae to reduce flooding impacts	(\$600,000 of this is externally funded)	(LTP years 1-3)	
Awanui flood scheme	Upper catchment detention	Investigation and preliminary design: \$300,000	2028-2033+	LTP 2027
		Construction: \$3 million	(LTP years 5-10+)	
		Total resources: \$3.3 million		
	Lake Tangonge flood detention and wetland restoration	Investigation: \$250,000	2028-2029	LTP 2027
	Coastal stopbanks adaptation	Investigation and preliminary design: \$300,000	2025-2033+	LTP 2024
		Construction: \$3 million	(LTP years 2-33+)	
		Total resources: \$3.3 million		
Kāeo-Whangaroa flood scheme	Matangirau flood scheme	Floodway construction/channel benching	2024-2025	LTP 2024
	Floodway (1.5km), including 1km upstream and 500m downstream of Wainui Road.	Total resources: \$565,000 (\$300,000 already funded in Kaeo rate)	(LTP years 1)	
	Kāeo-Whangaroa flood scheme	Investigation and design: \$202,000	2024-2025	LTP 2024
	Adjusted stage two works:	Construction: \$1,333,000	(LTP years 1)	
	Creek widening, re-alignment and bank extension	Total resources: \$1,535,000 (\$885,000 funding Central Government, \$650,000 funding FNDC)		
	Tauranga Bay village road raising	Construction: \$750,000	2026-2028	LTP 2024
Kerikeri/ Waipapa flood scheme	Options including detention dam	Investigation and design: \$535,000	2024-2028	LTP 2024
		Construction: \$17 million	(LTP years 1-5)	LTP 2037
		Total resources: \$17,535,000	2039-2049 (LTP years 16 - 25)	
Taumārere	Kawakawa deflection bank	Construction: \$650,000	2024-2025	LTP 2024
		(\$350,000 externally funded) Note: \$450,000 of this has been brought forward to 2023/24	(LTP years 1-2)	
	Otiria-Moerewa swale	Investigation and design: \$235,000	2024-2025	LTP 2024
		Construction: \$650,000 Total resources: \$885,000 (including \$735,000 externally funded)	(LTP years 1-2)	
Hokianga Whirinaki flood reduction	Whirinaki homes, school and marae flood reduction	Investigation and design: \$800,000 (\$800,000 externally funded)	2024-2026 (LTP years 2)	LTP 2024
Kaipara flood reduction	Paparoa township flood reduction	Investigation and design: \$300,000	2026-2028	LTP 2024

Whangārei flood scheme	Dargaville flood adaptation	Investigation and design: \$470,000 Construction \$12 million	(LTP years 3-5) 2026-2029 (LTP years 3-6) 2033+ (Year 11-15)	LTP 2024 LTP 2033
	Punuruku Road flood reduction	Investigation, design and construction: \$735,000 (\$635,000 funded externally)	2024-2025 (LTP years 1)	LTP 2024
	Blue-Green Network - Avenues	Investigation and preliminary design: \$180,000	2026 -2027 (LTP year 3)	LTP 2024
	Blue-Green Network -Waiarohia/Raumanga floodways	Investigation and preliminary design: \$300,000	2025-2026 (LTP years 2-3)	LTP 2024
	Blue-Green Network - supporting adaption	Investigation: \$100,000	2026 -2027 (LTP year 3)	LTP 2024

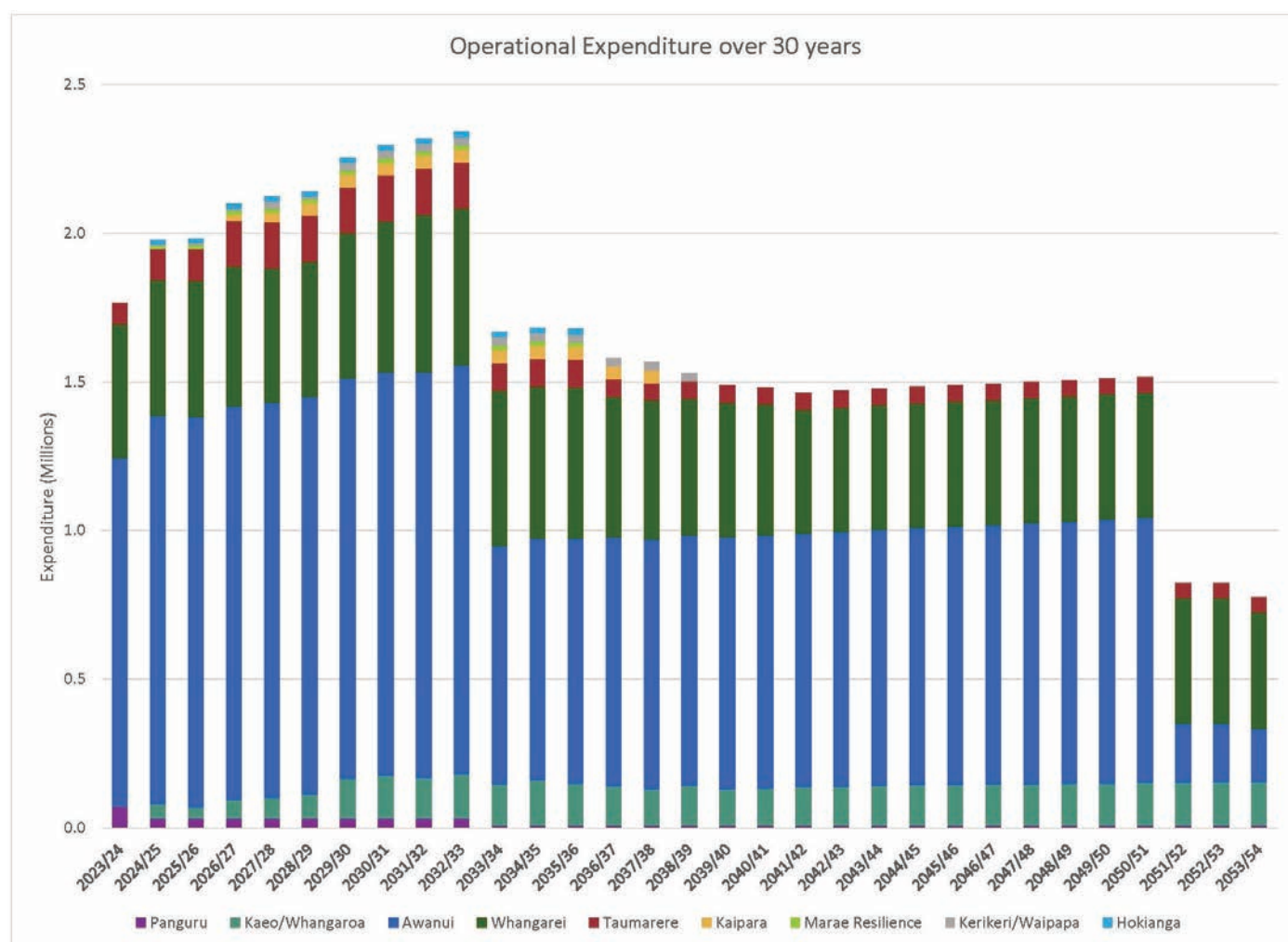
Indicative estimates of projected capital and operating expenditure

Our indicative estimates of the projected capital and operational expenditure for flood scheme assets over 30 years are provided below:

Projected capital expenditure



Projected operational expenditure



Operational expenditure

Asset maintenance and renewal expenditure is a relatively small cost that is used to ensure existing flood control assets are replaced as they reach the end of their design life. Operational expenditure is the cost associated with running the five existing river management schemes, including items such as insurance, interest repayment and general maintenance.

All our scheme assets carry full insurance replacement cover, including cover for the risk of natural hazards. We also ensure that operational expenditure is budgeted at a level sufficient to undertake maintenance to scheme assets from minor storm damage (i.e. damage that is not sufficient to lodge an insurance claim for). The maintenance programme includes repair and long-term renewal of stopbank assets and, therefore, no depreciation is applied to stopbank assets within the operational spend budget.

Route resilience

Coupled with our statutory role as the region's catchment authority and responsibilities under the Soil Conservation and Rivers Control Act 1941, Northland Regional Council plays a significant role in strengthening route resilience

within the region. Council has a principal responsibility in risk identification and assessment. This involves collaboration between the following teams internally; Hydrology, River Management, Civil Defence and Emergency Management, and Climate Action teams. The work involves the collection of data, identification of areas of flood risk, and the development of emergency plans, early warning systems and working alongside lifeline groups to reduce infrastructure outage risks and minimise restoration time when outages occur.

Route resilience will remain a major challenge for the region as a result of climate change. Therefore, the assessment of route resilience and the works necessary to achieve a high level of resilience from flooding on the region's State Highway network is needed. This cannot be solved by isolated planning activities between agencies or by localised planning within communities. A regional view of route resilience needs to be established and maintained over time and Northland Regional Council has a key responsibility to ensure a regional plan for route resilience is identified and actions and opportunities taken.

In addition to internal collaboration, Northland Regional Council will actively collaborate with key external stakeholders, including the Government, Northland Transportation Alliance (NTA), NZ Transport Agency Waka Kotahi (NZTA), iwi and district councils, with each

contributing expertise in risk identification and assessment to inform the external stakeholders' roading asset management and Northland Regional Council's catchment management.

Key assumptions

In developing this infrastructure strategy, we have identified a number of key assumptions that we have made in determining our future planning and expenditure estimates. These are summarised in the following table.

Area	Assumption	Level of uncertainty (low to high)	Nature of that uncertainty	Potential effects of that uncertainty
Life cycle of significant infrastructure assets	Significant renewal expenditure for newly constructed assets will not be required over the first 30 years of asset life.	Medium	Stopbank settlement rates and failure of ancillary components.	Increased expenditure
	Accuracy of asset data and flood modelling underlying the financial projections is sufficiently robust.	Medium to low	Flood modelling assumptions. Large, low-probability events have the potential to shift probability estimates.	Increased expenditure
	Potential structural failures are able to be detected and remedied before they occur.	Medium	River bank and stopbank conditional surveys are successful in identifying risk.	Flooding of protected areas if structural failure occurs.
	Future sea level rise associated with climate change, and increases in extreme rainfall intensities, do not exceed existing projections.	Low	More rapid sea level rise would lead to more frequent over-topping of coastal stopbanks and higher tailwater conditions for coastal river basins.	Higher cost of protecting and draining low-lying coastal areas. May trigger managed retreat strategy earlier than anticipated.
Growth or decline in the demand for relevant services	Population growth/decline and land use development in floodplains is not expected to be a significant driver.	Low	Accuracy of growth projections and effectiveness of land use planning.	Significant additional growth and development in flood-prone areas will lead to additional flood risk and drive additional demand for protection.
	Public perception of flood risk may change, and demand may increase as climate change effects become apparent.	High	Public perception about climate change and personal risk.	Changes in public perception of risk are hard to anticipate and may lead to a sudden increase in demand, especially when coastal flooding becomes more frequent due to sea level rise.
	New legislation (e.g. National Adaptation Plan process, Freshwater Plan or National Policy Statement on natural hazards or climate change) may place requirements on regional councils to provide coastal protection.	Medium	Legislative framework.	The question of responsibility for coastal hazard management, response and funding remains unsettled. Sea level rise is likely to bring about legislative change in the future which may result in a greater role for regional councils to provide adaptation solutions, including protection or managed retreat.
Increases or decreases in relevant levels of service	Adequate provision has been made for the projected impacts of climate change in scheme designs based on Ministry for the Environment climate change projections.	Low	Climate change tracks along high-end projections, resulting in lower levels of service.	Effect is low, as scheme adaptation can take place over decadal timescales, but ultimately there will be increased costs to maintain levels of service or implement a retreat strategy.

Adequate operational expenditure is provided to maintain scheme service levels.	Medium	Estimation of extent of maintenance works required.	Reduce level of service or increase expenditure to maintain level of service.
Level of service standards for urban areas may eventually be adopted at a national level, following public enquiries into flood events.	Medium	May require urban flood schemes to meet a higher level of service.	Review and change potential funding mechanisms to enable national standards to be met.

Mahi hāoho mō te āhuarangi

Climate action



Introduction

Climate change is one of our generation's biggest challenges. The next ten years are crucial for undertaking action that will have long-lasting impacts well into the future.

Our response to climate change is driven by our desire to demonstrate leadership and enable action within our communities, and is underpinned by national direction. Councils have legislative responsibility to address the risks from climate change, including direction under the National Emissions Reduction Plan and the National Adaptation Plan.

Climate impacts in Te Taitokerau

In Te Taitokerau Northland, the effects of climate change will increasingly disrupt our water, land, ecosystems, people and economy. This will fundamentally influence the way council does business.

Climate change impacts have the potential to create an existential threat to homes, businesses, cultural taonga and community values. An increasing risk of sea level rise and floods, combined with existing patterns of land use, mean that traditional land values will come under increasing pressure.

Te Taitokerau communities are particularly exposed to climate change. Many of our settlements and roads sit on low-lying land and are exposed to sea level rise and river flooding. Some remote communities will face further pressure and potential isolation as climate-driven natural hazards impact with increasing regularity and severity. Landslips pose a risk to our critical infrastructure. Negative impacts on human health will also affect our communities' overall resilience.

Being at the northern tip of an island nation means a warmer climate is likely to drive many of our indigenous species and ecological communities south to cooler regions, or result in localised extinctions. This will alter the makeup of habitats and leave voids that are likely to be filled by invasive exotic species.

Our economy relies on primary-industry exports that are increasingly susceptible to droughts, wildfires, floods, pests and diseases. Water supply systems are vulnerable to prolonged droughts. But with risk comes opportunity, and work is already underway to position ourselves to take advantage of opportunities offered by a changing climate.

Our climate strategies

Northland Regional Council has adopted two climate strategies over the last three years. Both strategies are equally important but have different roles:

Nga Taumata o Te Moana: our strategy for tackling climate change

www.nrc.govt.nz/climatechangestrategy

Adopted in July 2021, council's strategy for tackling climate change guides our own activities and how we'll work to address climate change. It identifies actions under three pou:

- » Adaptation
- » Emissions reduction
- » Carbon removal.

It acknowledges the urgent need for change, and the vital role council plays in addressing climate change to protect current and future generations and help build a thriving, resilient future.

Te Taitokerau Climate Adaptation Strategy

<https://catt.org.nz/>

Endorsed by the Joint Climate Change Adaptation Committee and adopted by all four Te Taitokerau Northland councils in April 2022, the strategy specifically focuses on adaptation, recognising the need to adapt to the changes in climate we are seeing already, and those we expect to see even if global emissions are brought under control.

The strategy reflects our intent to partner more closely with tāngata whenua and sets out a range of actions to be supported.

Our climate programme

Since the adoption of the two strategies, focus has moved from planning to action, including:

- » Consolidation of work programmes
- » Strengthening of partnerships
- » Building internal capability and capacity
- » Building a monitoring and reporting framework to track where we are getting the best 'bang for buck'.

Our Climate Programme has been consolidated into seven themes that encompass all the climate related work we do. Each theme is accompanied by a key objective.



Climate Programme themes and key objectives.

Reducing emissions and sequestering carbon

It's vital that we reduce greenhouse gas emissions as soon as possible. The scale of this change will require significant changes to how we power and plan our economies and communities. It also presents a unique opportunity to create a safer, healthier, more prosperous and socially cohesive future.

Through the Climate Change Response (Carbon Zero) Act 2002, the New Zealand Government has committed to reducing emissions to net zero by 2050¹.

While New Zealand's overall emissions are comparatively small, our per capita emissions are some of the highest. In Te Taitokerau Northland (between 1 July 2021 and 30 June 2022) agriculture (59%) and transport (27%) account for the most significant contributions to regionwide emissions (see figure on following page).

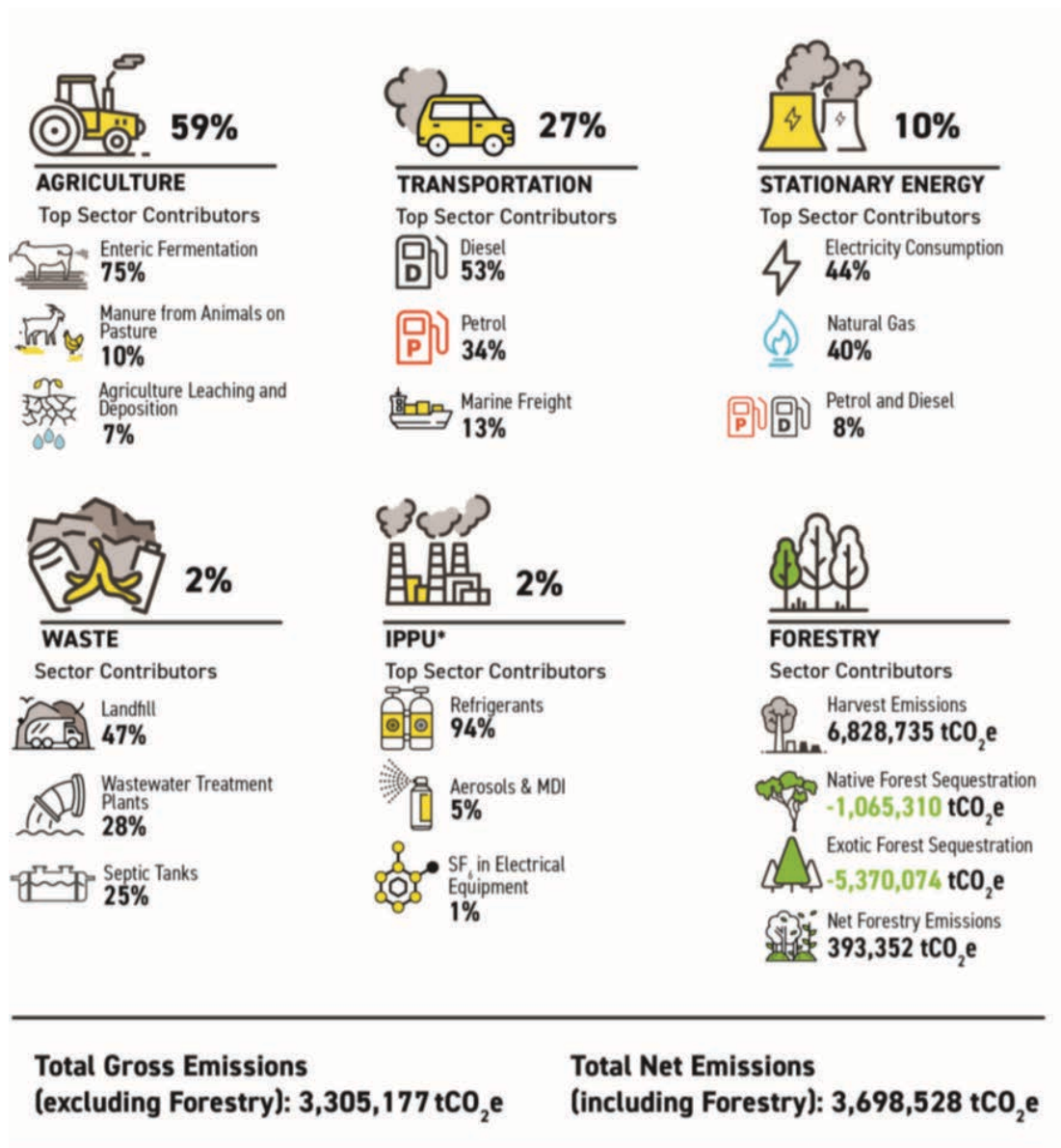
Council is supporting a regional shift to a net-zero emissions economy, and has expanding roles under the resource management system to regulate air pollution (including greenhouse gases) and ensure that our plans and policies have regard to national emissions reduction and adaptation plans.

We have a role in the continued restoration, protection and enhancement of nature-based carbon sequestration systems such as forests, wetlands and mangroves.

In 2023, council adopted gross emissions reduction targets for the organisation of 50% by 2030 and 90% by 2050. This also includes achieving net-zero and climate-positive status by 2050, by way of a corporate Emissions Reduction Plan www.nrc.govt.nz/reducingemissions

This work is supported by new resources allocated as part of this long term plan for zero carbon transition.

¹ The Act sets a target for net emissions for all greenhouse gases (except biogenic methane) to zero by 2050. Emissions from biogenic methane is required to be reduced to 24-47% below 2017 levels by 2050, including to 10% below 2017 levels by 2030.



*IPPU = Industrial Processes and Product Use

Northland Regions emissions for Financial Year 2022 (July 2021-30 June 2022), sourced from Te Tai Tokerau GHG Emissions Inventory 2022

Climate change assumptions

There is clear scientific evidence that carbon emissions from human activities are causing our climate to change rapidly. It is less clear what the scale, timing and intensity of the impacts will be, and stark differences in expected impacts from scenarios. Regardless of emissions, some impacts are certain and will require adaptation. For instance, we know that the pace of sea level change is increasing - at least 20 cm of sea level rise will occur by 2050.²

To be able to plan, significant assumptions need to be made about the nature, scale and timing of expected climate impacts. Even if all countries implemented their pledges to reduce emissions, impacts would still occur - for example global average temperature would likely rise by nearly three degrees at the end of this century.³

The long-term horizon of this plan and our infrastructure strategy makes it imperative that climate change is built into planning and decision-making. It is best practice to make decisions with regard to a variety of climate scenarios, from most to least optimistic. These assumptions are built into the infrastructure strategy via the Flood Adaptation Te Taitokerau project - stress testing

² Based on central government guidance on how best to plan for sea level rise, August 2022: <https://environment.govt.nz/assets/publications/Files/Interim-guidance-on-the-use-of-new-sea-level-rise-projections-August-2022.pdf>

³ See UNEP's 2023 Emissions Gap Report <https://www.unep.org/resources/emissions-gap-report-2023>

performance of interventions under climate change and choices around levels of service are a core part of natural hazard risk management.

There are also specific assumptions on the impact of any changes to the Emissions Trading Scheme on forestry holdings, and budget and insurance assumptions for disasters. All of our Long Term Plan 2024-2034 assumptions are set out in Significant forecasting assumptions of this plan.

Impacts on council activities

Climate action is already embedded in much of what we do. The following notable council activities are both impacted by, and contribute to, the management of climate change.

Biodiversity

Monitoring dune lake levels, responding to habitat loss, predation pressures and biodiversity and species loss as a result of climate change. Climate change-specific Key Performance Indicators (KPIs) are included in this plan in relation to wetlands and high-value water bodies. See section 1.3 of Council activities.

Biosecurity

Identifying emerging risks and responding to different invasive species migrating in response to a warmer climate and reprioritising resources as needed.

Catchment management

Managing the increase of afforestation for environmental concerns and climate change resilience. Grants to monitor the impacts of climate change on fresh or coastal waterways and for land re-generation projects that support carbon removal and improved environmental resilience.

Climate action and natural hazards

In addition to driving climate response via the two climate strategies: We carry out natural hazard mapping (nrc.govt.nz/environment/natural-hazards-portal) deliver targeted pūtea (grant funding) to build climate adaptation capacity in communities, and work with district council and tāngata whenua partners (via the Climate Resilience Fund) to support flax-roots adaptation initiatives in communities where it is most needed.

This work is supported by new resources allocated as part of this long term plan for climate action and natural hazards.

Climate change-specific KPIs are included in this plan in relation to monitoring the climate programme work packages, organisational emissions, and allocation of the Climate Resilience Fund. See section 2.2 of Council activities.

Community engagement

Engagement and communications resource to support service delivery for large-scale programmes like the Climate Programme, and support for responses to extreme weather events such as flooding and droughts.

Corporate services

Ensuring our internal plans and policies reflect our organisational climate aspirations and continued improvement, requiring climate considerations as part of every procurement process and council decision. Investing in appropriate zero emissions assets and technology for the organisation, including car, bus and boat fleets.

Climate change-specific KPIs are included in this plan in relation to fleet decarbonisation. See section 2.6 of Council activities.

Economic development

Managing research and analysis of issues to ensure the region's economy is moving toward being a thriving and resilient economy. Te Rerenga | Taitokerau's Economic Wellbeing Pathway will have climate issues, emerging opportunities and solutions at its heart.

Climate change-specific KPIs are included in this plan in relation to zero carbon. See section 3.3 of Council activities.

Emergency management

Supporting risk reduction, readiness, response and recovery from climate driven hazards like storms, floods, droughts. Working with community groups, iwi and hapū and lifelines utilities. This work is supported by new resources allocated as part of this long term plan for Emergency Management.

Climate change-specific KPIs are included in this plan in relation to community response plans and CDEM group plan work programme actions. See section 2.3 of Council activities.

Flood risk management

Heavy investment in built flood risk management schemes across Te Taitokerau, development of flood warning systems and adaptation to evolving risks over time. Incorporating the predicted increase in the frequency and severity of flooding when working with communities, identifying flood risk management options and providing flood mapping to help guide development.

Climate change-specific KPIs are included in this plan in relation to flood prevention. See section 2.1 of Council activities.

This work is supported by new resources allocated as part of this long term plan for early warning systems for floods, marae flood resilience, and specific flood schemes.

Māori partnerships

Supporting tāngata whenua in undertaking planning and action to address the effects of climate change through partnership and capacity building. This work is supported by new resources allocated as part of this long term plan for regional adaptation kaupapa māori co-lead and regional adaptation co-ordinator.

Planning and policy

Working to reflect best practice climate action to ensure our regional plans and policies are future-fit. Managing water availability and allocation limits in consideration of climate change. This work is supported by new resources allocated as part of this long term plan for climate policy.

Science and natural resources

Regular monitoring of lake levels, river flows, coastal changes and groundwater that builds understanding of changes in water availability and manage flows during dry periods. Continued monitoring and analysis of weather and climate (for example, droughts, groundwater, river levels) to inform planning, policy, and emergency response. This work is supported by new resources allocated as part of this long term plan for storm tracking and flood forecasting.

Climate change-specific KPIs are included in this plan in relation to flood-level monitoring. See section 1.1 of Council activities.

Transport

Working with communities and agencies to reduce emissions by providing efficient, low-emissions and accessible public transport, and promoting walking and cycling. This work is supported by new resources allocated as part of this long term plan for bus de-carbonisation work.

Climate change-specific KPIs are included in this plan in relation to bus emissions. See section 2.6 of Council activities.

Reducing risks

Climate risks are increasingly becoming a key consideration for organisations and businesses. Under the Climate Change Response (Carbon Zero) Act 2002, councils' may be

requested to provide information on climate risks and governance, impacts, risk management processes, metrics and targets or anything else.

Natural hazards

Managing the significant risk of climate and natural hazards for our communities and our assets is one of our core functions. We continue to invest in up-to-date natural hazard modelling, mapping and support high volumes of public enquiries. We are taking a strategic approach to identifying areas susceptible to natural hazards in our region and continue to work with district councils to incorporate the latest information into land use plans and consents.

Our award winning natural hazards portal acts as a one-stop-shop for natural hazards like coastal flooding, tsunami, erosion and river flooding in the region. We are also working with partner agencies like Toka Tū Ake | the Earthquake Commission and the Ministry for the Environment to ensure that our communities have access to the best information about natural hazard risks.

Community adaptation planning

Our climate programme identifies community adaptation plans (CAPs) as a key mechanism for reducing risks from climate change over the short, medium and long term. CAPs are produced at different scales and based on our best understanding of a range of natural hazards, community objectives, different risk management options (see figure below), eventually recommending a series of options that continue to meet community objectives over time. Each plan is future focused, agile enough to respond to uncertain climate futures and will ensure reduced risk across Te Taitokerau.

We continue to support council, community and iwi or hapū-led projects in the Far North, Whangārei and Kaipara districts. This work is supported by new resources allocated as part of this long term plan for regional adaptation.



The four primary options when working through how best to adapt to the impacts of a changing climate in a particular community or neighbourhood. Image sourced from <https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/adapting-to-climate-change/community-led-retreat>

Ngā mahi a te kaunihera

Council activities



Our services and activities

This section summarises our activities and sets out the key services we intend to deliver during the 2024-2034 period. We have identified the significant aspects of each service and set performance measures and targets for these so you can assess the level of service we intend to provide – this means the quantum, quality or extent of the service you can expect. We report on these performance measures and targets in our annual reports, which we aim to adopt in October each year.

We also carry out comprehensive internal monitoring of the delivery of our programmes of work, which in some cases will contribute to measures included in our long term plan. Detailed operational plans support all the programmes of work.

This section sets out:

- » our groups of activities
- » the performance measures for each activity
- » the reason for any material change to the cost of delivering the activity.

Our council intends to deliver the levels of service through three activity areas. The grouping of these activities is as follows:

- » Te Taiao | Natural environment
- » Te aumangeatanga hapori | Community resilience
- » Te hautūtanga ā-rohe | Regional leadership

Note to readers:

For each performance measure in this section, we have provided the most recent performance result available at the time of writing, to enable readers to compare targets with current performance. These results are taken from our Annual Report 2023, and were the subject of external audit. Where new measures have been added, a comparative has not been provided.

All dollar figures outlined in this section are based on present value. These will be adjusted for inflation each year during the term of the plan.

Te taiao

Natural environment

Manaaki Taiao

Care for the natural environment

Manaaki Tāngata

Care for people

Haere Whakamua

Progress forward

Te Taitokerau's natural resources are critical to the wellbeing of the region and its community.

The range of activities required to manage our natural resources is captured in this natural environment group of activities: it combines our focus on quality data and science, programmes of protection and enhancement, and management via council's regulatory and planning responsibilities. Our natural environment work relies on collaboration with other agencies, communities and landowners to achieve great outcomes.

The natural environment group of activities relates to two of our community outcomes and includes the following:

Community outcome: Healthy waters, land and air

- » **Science**
- » **Catchment management**
- » **Planning and policy**
- » **Consents**
- » **Compliance monitoring**

Community outcome: Protected and flourishing native life

- » **Biodiversity**
- » **Biosecurity**

Through this group of activities, we're working to:

- » Develop high-quality environmental information and advice to support our legislative functions and policy development, with a big focus on water.
- » Collaborate with landowners, iwi/hapū and catchment communities to plan and fund afforestation and planting, wetland and riparian management, looking after lakes, and growing poplars for soil conservation.
- » Ensure appropriate planning and systems are in place for sustainably managing resources and delivering our legislative functions, including plans and policies, processing resource consents, and carrying out extensive monitoring.
- » Monitor compliance with consents we've granted and our regional plan rules, investigate environmental complaints, provide a collection and disposal service for waste chemicals, and maintain records on potentially contaminated land.
- » Maintain and improve ecosystems through habitat interventions and restoration, while building enduring relationships with landowners, iwi/hapū and other agencies.
- » Collaborate with other agencies, iwi/hapū and communities to identify, control and remove new pests before they can affect ecosystems, and manage existing pest species.

Any **significant negative effects** to the community, which are anticipated as a result of delivering any of the activities within the **natural environment** group of activities, have been identified and mitigated. This includes having sound and robust consent processes to ensure that contentious consent applications, or those with a perceived negative effect, are appropriately considered. We also ensure that our planning and policy processes are robust and inclusive to minimise negative impacts on communities as a result of rules and regulation.

Changes to levels of service

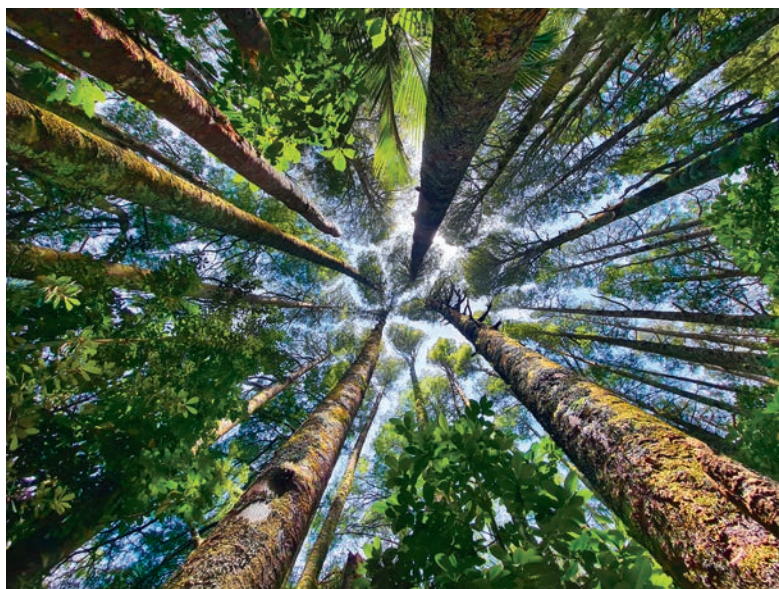
The levels of service provided by each activity in the natural environment group either remain the same or increase in this Long Term Plan to support council activities and respond to legislative requirements as follows:

- » The **science** activity increases in line with the need for improvements to our storm tracking, Metservice forecast data, air quality monitoring network, data automation, and budget for working with the Lake Ōmāpere Trust.
- » The **catchment management** activity remains the same in maintaining focus on implementing new regulations while greater certainty on freshwater legislation is sought.
- » The **biodiversity** activity remains the same in maintaining the need to support council activities and respond to legislative requirements.
- » The **biosecurity** activity increases in line with the need to refocus spending as new biosecurity challenges emerge and the status of existing threats evolve, and to support community-led pest management action in western and northern Northland.
- » The **planning and policy** activity remains the same while legislative changes are addressed, including a freshwater plan change in response to central government's National Policy Statement for Freshwater Management, and the current Regional Plan is implemented.
- » The **consents** activity increases in line with the need to increase capacity of the consents processing team.
- » The **compliance monitoring** activity increases in line with the need to increase capacity of the compliance monitoring team, purchasing field equipment, and implement the fish passage project.

Changes to costs

The cost of delivering the levels of service for the natural environment group of activities increases in this Long Term Plan. New work across these activities would mean \$1.87M per year (on average) of new operational spend over the next three years and \$0.2M of new capital spend (in total) over the first three years of the plan, noting that \$2.66M of this spend is funded through efficiencies.

This change in cost has occurred as council continues to respond to demand from central government and the community to do more to protect Northland's natural environment. There's an increasing policy focus on water management, biodiversity, and a maintained focus on biosecurity. The increase in cost for the service represents a continuation in the work that will be delivered across each of the activities, and is required to work toward council's community outcomes of 'Healthy waters, land and air' and 'Protected and flourishing native life'.



1.1 Science

Levels of service, measures and targets

1.1.1 Communities are able to access accurate information on the health of Northland's rivers, lakes, estuaries and harbours, and see improvements in the water's ability to support aquatic ecosystems, recreational activities and cultural values

1.1.2 Communities and agencies are provided with quality information on water quantity and water resources including rainfall, river flow, groundwater and flood levels

1.1.3 Healthy air quality is maintained and monitored, with the community made aware if standards aren't being met

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of NRC environmental networks monitored for water quality and quantity, and ecology, with results and reports made openly accessible* ¹	100%	100%			
Percentage of time that flood-level monitoring is accurate (to enable flood warnings to be developed) and is made openly accessible*	100%	100%			
Percentage of time that continuous monitoring of air sheds is achieved, with any exceedances of National Environmental Standards reported and made openly accessible*	100%	100%			

¹ *openly accessible' means available on NRCs website

1.2 Catchment management

Levels of service, measures and targets

1.2.1 Sustainable land and soil conservation management, including advice, funding support and education, is restoring the mauri of Northland's fresh water, wetlands and estuaries and giving effect to Te Mana me te Mauri o te Wai

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Hectares of space planting on Highly Erodible Land supported by the supply of poplar/willow material and hectares of fencing carried out to support retirement of erosion-prone land, with a view to supporting the implementation of Te Mana me te Mauri o te Wai	New measure	60ha of space planting and 70ha of retirement fencing per year			
Percentage of freshwater management units where council is providing sustainable land management support ¹ for action to restore the mauri of fresh water	New measure	100% of freshwater management units are receiving support			

¹ support means contribution of staff and financial support via existing funds.

1.3 Biodiversity

Levels of service, measures and targets

1.3.1 The indigenous biodiversity and ecosystems of Northland's forests, wetlands, lakes and coastal margins are maintained and enhanced, in line with Te Mana o te Taiao – Aotearoa NZ Biodiversity Strategy

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Number of plants provided through CoastCare programme each year	16,838 - achieved	15,000 or more			
Number of top-ranked lakes identified in the Northland Lakes Strategy that are under active management ¹ with stock excluded	18 lakes - not achieved	20 lakes			
Number of natural wetlands that are identified, and monitored for condition and improvement, in accordance with four-yearly wetland programme, and climate programme	New measure	15 per year, for a total of 60 over a four year period			
High value water bodies vulnerable to the effects of climate change are identified and monitored, and work continues to improve their resilience	New measure	100% of high value water bodies			

- 1 Active management includes basic care standards for lakes: nutrient management, ecological monitoring, submerged weed surveillance, and weed and pest control if necessary

1.4 Biosecurity

Levels of service, measures and targets

1.4.1 A tangible reduction in pests is achieved on land and in the marine environment, through engaged communities, landowners and mana whenua, as directed by the biosecurity operational plan

1.4.2 The introduction and spread of marine pests is slowed through inter-regional management

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of KPI's contained within the biosecurity operational plan that are achieved to support implementation of the Regional Pest Management Plan and Marine Pathways Plan	New measure	90% of KPIs			
Number of vessel hulls surveyed for marine pests each year as part of the marine biosecurity surveillance programme.	2037 hulls inspected - achieved	At least 2000			

1.5 Planning and policy

Levels of service, measures and targets

1.5.1 Northland's aspirations for sustainable land, freshwater and coastal management are being supported through quality planning processes with Te Mana me te Mauri o te Wai embedded in freshwater planning

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Development and review of council's regional policy statement and regional plan, is compliant with legislative process requirements and timeframes	New measure	100% of the time			
The principle of Te Mana me te Mauri o te Wai is included in all stages of development of the freshwater plan change	New measure	Included in all stages of draft and proposed			

1.6 Consents

Levels of service, measures and targets

1.6.1 Efficient processing of resource consents that results in consistent implementation of regional plan rules across private and community developments

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of all resource consent applications that are processed within the statutory timeframes	99.7% - not achieved	100% of applications			
The percentage of resource consent applications for the renewal of a discharge permit that council makes a decision on within four years of the lodged date	New measure	100%			

1.7 Compliance monitoring

Levels of service, measures and targets

1.7.1 Timely and effective compliance monitoring of resource consents, and response to reported environmental incidents

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of consents that are monitored as per the council's consent monitoring programme	96% - achieved	90% or more			
Percentage of environmental incidents reported to the Environmental Hotline resolved within 30 working days	87% - achieved	80% or more			
Percentage of significant non-compliant graded events that have enforcement action taken	New measure	100%			

Northland Regional Council: Funding impact statement for 2024–2034 for natural environment group activities

	Annual Plan 2023/24 \$(000)	Year 1 2024/25 \$(000)	Year 2 2025/26 \$(000)	Year 3 2026/27 \$(000)	Year 4 2027/28 \$(000)	Year 5 2028/29 \$(000)
Sources of operating funding						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates (other than targeted water rates)	24,356	29,627	31,754	32,800	34,334	35,121
Grants and subsidies for operating purposes	5,573	5,252	1,083	886	490	490
Fees, charges and targeted rates for water supply	2,870	2,759	2,899	2,967	3,079	3,093
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	9	-	-	-	-	-
Total operating funding	32,808	37,638	35,736	36,653	37,903	38,704
Applications of operating funding						
Payments to staff and suppliers	31,754	34,298	31,378	32,542	31,498	32,228
Finance costs	42	60	90	128	128	128
Internal charges and overheads applied	9,683	10,805	11,094	11,377	11,634	11,894
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding	41,479	45,163	42,562	44,047	43,260	44,250
Surplus/(Deficit) of operating funding	(8,671)	(7,525)	(6,826)	(7,394)	(5,357)	(5,546)
Sources of capital funding						
Subsidies and grants for capital purposes	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase/(Decrease) in debt	564	564	564	717	-	-
Gross proceed from asset sales	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Total sources of capital funding	564	564	564	717	-	-
Applications of capital funding						
Capital expenditure						
- To meet additional demands						
- To improve levels of service	474	316	371	386	158	165
- To replace existing assets	388	201	261	273	310	373
Increase/(Decrease) in reserves	(1,032)	(187)	23	(818)	321	321
Increase/(Decrease) in investments	(7,937)	(7,291)	(6,917)	(6,518)	(6,146)	(6,405)
Total applications of capital funding	(8,107)	(6,961)	(6,262)	(6,677)	(5,357)	(5,546)
Surplus/(Deficit) from capital funding	8,671	7,525	6,826	7,394	5,357	5,546
FUNDING BALANCE	-	-	-	-	-	-

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Sources of operating funding					
-	-	-	-	-	- General rates, uniform annual general charges, rates penalties
36,029	36,915	37,992	39,079	39,783	Targeted rates (other than targeted water rates)
490	490	490	440	440	Grants and subsidies for operating purposes
3,151	3,268	3,281	3,339	3,456	Fees, charges and targeted rates for water supply
-	-	-	-	-	- Internal charges and overheads recovered
-	-	-	-	-	- Local authorities fuel tax, fines, infringement fees and other receipts
39,670	40,673	41,763	42,858	43,679	Total operating funding
Applications of operating funding					
33,093	33,615	34,575	35,333	36,270	Payments to staff and suppliers
128	128	128	128	0	Finance costs
12,119	12,396	12,678	12,962	13,253	Internal charges and overheads applied
-	-	-	-	-	- Other operating funding applications
45,340	46,139	47,381	48,423	49,523	Total applications of operating funding
(5,670)	(5,466)	(5,618)	(5,565)	(5,844)	Surplus/(Deficit) of operating funding
Sources of capital funding					
-	-	-	-	-	- Subsidies and grants for capital purposes
-	-	-	-	-	- Development and financial contributions
-	-	-	-	-	- Increase/(Decrease) in debt
-	-	-	-	-	- Gross proceed from asset sales
-	-	-	-	-	- Lump sum contributions
-	-	-	-	-	Total sources of capital funding
Applications of capital funding					
Capital expenditure					
-	-	-	-	-	- To meet additional demands
230	97	98	164	160	- To improve levels of service
473	497	360	351	278	- To replace existing assets
189	321	321	171	-	- Increase/(Decrease) in reserves
(6,562)	(6,381)	(6,397)	(6,252)	(6,282)	Increase/(Decrease) in investments
(5,670)	(5,466)	(5,618)	(5,565)	(5,844)	Total applications of capital funding
5,670	5,466	5,618	5,565	5,844	Surplus/(Deficit) from capital funding
-	-	-	-	-	FUNDING BALANCE

Te aumangeatanga hapori

Community resilience

Kia mate ururoa, kei mate wheke

Fight like a shark, not an octopus

Te Taitokerau is an incredible place to live, play and make a living, but it's vulnerable to flooding, drought and the growing effects of climate change. The region covers a significant area, on land and out on the water. Council is continually working to improve Northland's safety and resilience, and stay one step ahead of the next challenge we're likely to face.

Our community resilience group of activities pulls together different aspects of resilience. This mahi involves our efforts to keep people safe on the roads and on the water; identifying, assessing and providing information on natural hazards, in particular working to protect Northland communities from flood hazards; building resilience to climate change impacts and emergency situations, and responding when we need to. All these activities rely heavily on collaboration with our communities, tangata whenua, other agencies and landowners to achieve shared goals.

Community outcome: Carbon neutral, resilient communities in a changing climate

» Flood risk management.

This is required as a group of activities on its own under the Local Government Act, but is included here as part of the community resilience package. It has a separate funding impact statement at the end of this section.

» Climate action

» Emergency management

Community outcome: Safe and resilient transport networks

» Oil pollution response

» Harbour safety and navigation

» Transport

Through this group of activities, we're working to:

- » Collaborate with communities to identify and map areas at risk of flooding, develop strategies to reduce and mitigate the risk as much as possible, and guide future development.
- » Coordinate climate change adaptation planning across Northland, while investigating, mapping and planning for the natural hazards we already face.
- » Work in partnership with other agencies to reduce the risk of major natural hazards that can have a big impact on the region, and ensure we are ready, we know how to respond, and we can recover as quickly as possible.
- » Ensure the risk of oil spills is reduced, and the impact of any spill is safely minimised with the smallest possible impact on the marine environment.
- » Manage our ports and harbours safely, providing guidance to those out on the water and responding to maritime incidents and other issues.
- » Ensure there is a region-wide approach to transport planning and safety, and people can move around the region on buses and Total Mobility services.

Any **significant negative effects** to the community as a result of delivering the **community resilience** activity have been identified and addressed. For flood protection schemes, cost-benefit analyses are used to determine the negative effects on the community and identify the level of risk that the community is willing to accept.

Changes to levels of service

The levels of service provided by each of the activities in the community resilience group either remain the same or increase in this Long Term Plan as follows:

- » The **flood risk management** activity increases in line with the completion of new flood infrastructure and resilience projects, and the investigation into future projects.
- » The **climate action** activity increases in line with the need to adapt to increasingly heightened impacts of natural hazards, and a legislative requirement to respond to carbon emission targets and climate change.
- » The **emergency management** activity increases in line with the need to continue to deliver cyclone recovery and the most efficient emergency response coordination.
- » The **oil pollution response** activity remains the same in maintaining an efficient oil pollution response system.
- » The harbour safety and navigation activity remains the same in maintaining the upkeep with increased demand and supporting new initiatives.
- » The **transport** activity remains the same, however we need to retender some services, increase driver wages, and look into options to de-carbonise some of the bus fleet.

Changes to costs

The cost of delivering the levels of service for the community resilience group of activities increases in this Long Term Plan. New work across these activities would mean \$1.97M per year (on average) of new operational spend over the next three years and \$7.31M of new capital spend over the first three years (in total), noting that \$5.21M of this spend is funded through government funding.

This change in cost has occurred as council continues to respond to and mitigate risks, plan for projected effects of climate change, and ensure the organisation is future-proofed for these challenges. We also continue responding to a drive towards being carbon neutral and providing alternative modes of transport for the community.



2.1 Flood risk management

Levels of service, measures and targets

2.1.1 The safety of people and property continues to improve with Northland Regional Council leading actions under the flood adaptation work programme across it's policy and planning, flood protection, Civil Defence Emergency Management (CDEM), Regional Land Transport Planning, catchment management, and adaptation activities

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Number of flood events occurring as a result of failures of flood protection systems below specified design levels for the Awanui, Whangārei, Kāeo, Panguru and Otiria/Moerewa schemes	Zero	Zero			
Percentage of actions implemented to reduce flood risk across the region, particularly in the most vulnerable communities, as set out in the flood adaptation work programme	New measure	100% of actions implemented as per the flood adaptation work programme			

2.2 Climate action

Levels of service, measures and targets

2.2.1 Northland is more resilient to the effects of climate change, with Northland Regional Council leading promotion, collaboration and coordination of resilience-building and carbon reduction initiatives to deliver climate resilient development region-wide

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Number of outputs progressed in line with the monitoring, evaluation and reporting (MER) framework, across each of the seven climate programme work packages that support the Nga Taumata o Te Moana and Te Taitokerau Climate Adaptation Strategy	New measure	Target: 100%			
Reduction in organisational emissions, in line with agreed targets in the Emissions Reduction Plan	New measure	50% reduction in GHG emissions by 2030, 90% reduction and net zero by 2050			
Percentage of council's Climate Resilience Fund allocated to Northland's most vulnerable communities in accordance with funding criteria	New measure	100% of allocations			

2.3 Emergency management

Levels of service, measures and targets

2.3.1 Communities are well informed and supported to understand, plan for and respond to risks and emergencies as they arise

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Number of up-to-date community response plans and marae preparedness plans in place across the region	New measure	Maintain or increase (from baseline)			
Number of objectives outlined in the Northland CDEM Group plan work programme, across Māori engagement, reduction, readiness, response and recovery, that are progressed and reported on quarterly	New measure	100% of objectives outlined in the plan are progressed			

2.4 Oil pollution response

Levels of service, measures and targets

2.4.1 The risk to Northland's coastline from oil spills is significantly reduced by an efficient oil pollution response system

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
A regional oil spill response plan is maintained, including a minimum of up to 30 up-to-date trained responders	35 responders - achieved	Minimum of 30 responders 100% of the time			

2.5 Harbour safety and navigation

Levels of service, measures and targets

2.5.1 Navigation on Northland's waters is safe and sustainable with well-managed systems

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of time that marine activities are safely managed, with operational Harbour Safety Management Systems that comply with the national Port and Harbour Marine Safety Code	95% - not achieved	100% of the time			
For every replacement vessel a rigorous assessment process is undertaken to demonstrate suitability for electrification	New measure	100% of the time			

2.6 Transport

Levels of service, measures and targets

2.6.1 Northland communities are supported by resilient and sustainable transport networks, and can travel safely with as little impact on the environment as possible

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of passengers surveyed on the Whangārei, Kaitaia and Mid-North bus services every two years that are satisfied with the overall service provided	Not achieved	90%			
Delivery of major infrastructure projects set out in the Regional Land Transport Plan is monitored with any progress issues reported to the Regional Transport Committee quarterly	New measure	Quarterly reporting on progress			
Council's vehicle fleet continues to de-carbonise in accordance with Emissions Reduction Plan targets, with an electric alternative considered for every vehicle replacement	New measure	100% of the time			
The bus fleet is electrified in line with national ERP targets and council's ERP targets	New measure	Y1 - Feasibility study		Y3 - Secure budget required via LTP	

Northland Regional Council: Funding impact statement for 2024-2034 for community resilience group activities

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Sources of operating funding						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates (other than targeted water rates)	8,292	9,115	9,061	9,568	10,006	9,695
Grants and subsidies for operating purposes	5,347	7,689	5,186	5,216	5,138	5,168
Fees, charges and targeted rates for water supply	2,856	2,950	3,055	3,165	3,280	3,399
Internal charges and overheads recovered	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	26	30	32	35	49	63
Total operating funding	16,521	19,784	17,334	17,984	18,473	18,325
Applications of operating funding						
Payments to staff and suppliers	11,556	13,490	12,004	12,179	12,151	12,341
Finance costs	123	257	383	383	383	383
Internal charges and overheads applied	1,895	2,226	2,286	2,344	2,397	2,451
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding	13,574	15,973	14,673	14,906	14,931	15,175
Surplus/(Deficit) of operating funding	2,947	3,811	2,661	3,078	3,542	3,150
Sources of capital funding						
Subsidies and grants for capital purposes	-	1,303	230	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase/(Decrease) in debt	6,795	3,789	519	-	-	-
Gross proceed from asset sales	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Total sources of capital funding	6,795	5,092	749	-	-	-
Applications of capital funding						
Capital expenditure						
- To meet additional demands						
- To improve levels of service	6,185	6,680	1,237	105	107	109
- To replace existing assets	1,333	-	-	-	-	-
Increase/(Decrease) in reserves	504	3,658	415	104	114	125
Increase/(Decrease) in investments	1,721	(1,435)	1,758	2,869	3,321	2,917
Total applications of capital funding	9,742	8,903	3,410	3,078	3,542	3,150
Surplus/(Deficit) from capital funding	(2,947)	(3,811)	(2,661)	(3,078)	(3,542)	(3,150)
FUNDING BALANCE	-	-	-	-	-	-

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Sources of operating funding					
-	-	-	-	-	- General rates, uniform annual general charges, rates penalties
9,887	10,056	10,311	10,564	10,842	Targeted rates (other than targeted water rates)
5,198	5,227	5,257	5,287	5,316	Grants and subsidies for operating purposes
3,521	3,646	3,777	3,912	4,052	Fees, charges and targeted rates for water supply
-	-	-	-	-	- Internal charges and overheads recovered
79	97	116	137	160	Local authorities fuel tax, fines, infringement fees and other receipts
18,685	19,026	19,460	19,900	20,370	Total operating funding
Applications of operating funding					
12,532	12,726	12,924	13,124	13,329	Payments to staff and suppliers
383	383	383	383	383	Finance costs
2,497	2,554	2,612	2,671	2,731	Internal charges and overheads applied
-	-	-	-	-	- Other operating funding applications
15,412	15,663	15,919	16,178	16,443	Total applications of operating funding
3,273	3,363	3,542	3,722	3,927	Surplus/(Deficit) of operating funding
Sources of capital funding					
-	-	-	-	-	- Subsidies and grants for capital purposes
-	-	-	-	-	- Development and financial contributions
-	-	-	-	-	- Increase/(Decrease) in debt
-	-	-	-	-	- Gross proceed from asset sales
-	-	-	-	-	- Lump sum contributions
-	-	-	-	-	Total sources of capital funding
Applications of capital funding					
Capital expenditure					
-	-	-	-	-	- To meet additional demands
-	-	-	-	-	- To improve levels of service
-	57	-	-	24	- To replace existing assets
137	150	165	182	200	Increase/(Decrease) in reserves
3,136	3,156	3,377	3,540	3,703	Increase/(Decrease) in investments
3,273	3,363	3,542	3,722	3,927	Total applications of capital funding
(3,273)	(3,363)	(3,542)	(3,722)	(3,927)	Surplus/(Deficit) from capital funding
-	-	-	-	-	FUNDING BALANCE

Northland Regional Council: Funding impact statement for 2024–2034 for river management

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Sources of operating funding						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates (other than targeted water rates)	4,764	4,765	4,816	4,972	5,043	5,117
Grants and subsidies for operating purposes	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	-	-	-	-	-	-
Internal charges and overheads recovered	4	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	122	69	129	191	259	330
Total operating funding	4,890	4,834	4,945	5,163	5,302	5,447
Applications of operating funding						
Payments to staff and suppliers	1,782	1,326	1,251	1,344	2,317	1,396
Finance costs	535	614	611	705	766	791
Internal charges and overheads applied	586	594	610	625	639	654
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding	2,903	2,534	2,472	2,674	3,722	2,841
Surplus/(Deficit) of operating funding	1,987	2,300	2,473	2,489	1,580	2,606
Sources of capital funding						
Subsidies and grants for capital purposes	-	4,635	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase/(Decrease) in debt	-	1,495	300	1,095	885	615
Gross proceed from asset sales	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Total sources of capital funding	-	6,130	300	1,095	885	615
Applications of capital funding						
Capital expenditure						
- To meet additional demands						
- To improve levels of service	4	5,730	300	1,097	885	615
- To replace existing assets	-	-	-	-	-	-
Increase/(Decrease) in reserves	1,076	5,795	1,362	1,327	1,323	1,355
Increase/(Decrease) in investments	907	(3,095)	1,111	1,160	257	1,251
Total applications of capital funding	1,987	8,430	2,773	3,584	2,466	3,221
Surplus/(Deficit) from capital funding	(1,987)	(2,300)	(2,473)	(2,489)	(1,580)	(2,606)
FUNDING BALANCE	-	-	-	-	-	-

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Sources of operating funding					
-	-	-	-	-	- General rates, uniform annual general charges, rates penalties
5,189	5,261	5,335	5,410	4,701	Targeted rates (other than targeted water rates)
-	-	-	-	-	- Grants and subsidies for operating purposes
-	-	-	-	-	- Fees, charges and targeted rates for water supply
-	-	-	-	-	- Internal charges and overheads recovered
402	475	550	627	367	Local authorities fuel tax, fines, infringement fees and other receipts
5,591	5,736	5,885	6,037	5,068	Total operating funding
Applications of operating funding					
1,429	1,455	1,485	1,525	1,555	Payments to staff and suppliers
816	843	852	837	420	Finance costs
666	681	697	712	728	Internal charges and overheads applied
-	-	-	-	-	- Other operating funding applications
2,911	2,979	3,034	3,074	2,703	Total applications of operating funding
2,680	2,757	2,851	2,963	2,365	Surplus/(Deficit) of operating funding
Sources of capital funding					
-	-	-	-	-	- Subsidies and grants for capital purposes
-	-	-	-	-	- Development and financial contributions
360	170	-	-	-	- Increase/(Decrease) in debt
-	-	-	-	-	- Gross proceed from asset sales
-	-	-	-	-	- Lump sum contributions
360	170	-	-	-	Total sources of capital funding
Applications of capital funding					
Capital expenditure					
- To meet additional demands					
360	170	-	-	-	- To improve levels of service
-	-	-	-	-	- To replace existing assets
1,363	1,395	1,443	1,483	845	Increase/(Decrease) in reserves
1,317	1,363	1,409	1,480	1,520	Increase/(Decrease) in investments
3,040	2,927	2,851	2,963	2,365	Total applications of capital funding
(2,680)	(2,757)	(2,851)	(2,963)	(2,365)	Surplus/(Deficit) from capital funding
-	-	-	-	-	FUNDING BALANCE

Te hautūtanga ā-rohe

Regional leadership

Mā te kotahitanga

E whai kaha ai tātou

In unity we have strength

There's a lot we do that our community can see, touch and experience, such as trapping pests, planting or riding buses. But many of the things we do are less visible, yet critical to the successful operation of council. Having a good understanding of the wants and needs of Northland's people to inform strong leadership and decision-making, ensuring that we're ahead of the game with statutory obligations to Māori and that we're transparent and accessible - this underpins all that we do as regional leaders.

The regional leadership group of activities sets out what we're doing in these areas, and encompasses the essential corporate and support functions required to ensure we're running in the most efficient, accountable and legislatively compliant manner. It also captures the work we're doing to promote sustainable economic development for Te Taitokerau.

Community outcome: Meaningful partnerships with tāngata whenua

» **Māori partnerships**

Community outcome: A sustainable, innovative and equitable economy

» **Economic development**

Community outcome: Efficient, progressive and transparent council systems

» **Governance**

» **Community engagement**

» **Customer services**

» **Corporate services**

Through this group of activities, we're working to:

- » Ensure we are a culturally competent council, that we uphold the Crown's Treaty of Waitangi obligations, and develop increasingly effective partnerships with Māori.
- » Support sustainable economic development in Northland through promotion, investment and monitoring, championing regionally significant infrastructure, and building a business-friendly council environment.
- » Provide effective, transparent governance on behalf of the community, and be a strong advocate for Northland, while ensuring that we operate within our statutory requirements.
- » Keep our communities informed, and make it as simple as possible for them to get involved in our processes.
- » Be accessible and make all interactions with our customers as smooth as possible.
- » Ensure we have quality, future-proofed systems in place to support all the work we carry out for the environment, economy and community.

There are no **significant negative effects** to the community anticipated as a result of delivering any of the activities within the **regional leadership** group of activities.

Changes to level of service

The levels of service provided by each of the activities in the regional leadership group either remain the same or increase in this Long Term Plan as follows:

- » The **governance** activity remains the same in maintaining effective and transparent democratic processes.
- » The **Māori partnerships** activity increases in line with council's continued commitment to building enduring relationships with Māori and deliver on Tāiki ē (our Te Tiriti strategy and implementation plan).
The **economic development** activity remains the same in maintaining Northland's economic wellbeing.
- » The **community engagement** activity remains the same in maintaining the need to support work on freshwater and other special projects.
The **customer services** activity remains the same in maintaining that quality service is provided.
- » The **corporate services** activity increases in line with the need to support council activities and respond to legislative requirements. This includes investing in new roles so we're better able to support the needs across our 300-plus staff, increases in our salary budget, and keeping up with inflation.

Changes to costs

The cost of delivering the levels of service for the regional leadership group of activities increases in this Long Term Plan. New work across these activities would mean \$4.25M per year (on average) of new operational spend over the next three years and \$0.69M of new capital spend over the first three years (in total), noting that \$0.66M of this is funded through efficiencies.

This change in cost has occurred in response to an ongoing increasing need for robust, reliable systems and technology to support the organisation, the need to retain staff, and to remain legislatively compliant and reduce cybersecurity risks, particularly as a result of the increased remote working capabilities and many meetings now held online.



3.1 Governance

Levels of service, measures and targets

3.1.1 Council maintains effective and transparent democratic processes					
How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of official information requests that are responded to within 20 working days	97% - not achieved	100%			
Percentage of time that elected members attend council meetings	97.25% - achieved	90%			
Percentage of time that council decisions actively involve the community, in accordance with council's Significance and Engagement Policy	New measure	100%			

3.2 Māori partnerships

Levels of service, measures and targets

3.2.1 Enduring relationships between council and Māori are working to deliver on the aspirations of Māori, and strong outcomes for Te Taitokerau, supported by capable and skilled leaders					
How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
An independent Treaty Health Check is completed bi-annually, and recommendations from this are being implemented	Not achieved	Bi-annual completion with implementation underway			
Percentage of councillors and executive leadership team that participate in annual core cultural competency training	100% - achieved	100%			
Percentage of council employees that undertake cultural competency training within 12 months of employment, and complete a refresher every three years	New measure	100%			
Percentage of Mana Whakahono ā Rohe agreements established that meet key statutory obligations, reflecting mutually beneficial and respectful negotiations between council and iwi/hapū	New measure	100% of agreements compliant			
Level of satisfaction of tāngata whenua with council's relationships and partnerships with them	New measure	Satisfaction levels increase annually, up to 80% by 2034			
Percentage of priority actions set out in Tāiki ē (council's Te Tiriti strategy and implementation plan), that are commenced within the timeframes identified in the plan (as endorsed by Te Taitokerau Māori and Council Working Party)	New measure	100% of actions			
Percentage of tangāta whenua environmental funding that is allocated to iwi and hapū to enhance and enable mātauranga Māori outcomes that inform council policy development and decision making	New measure	100% of funding allocated			

3.3 Economic development

Levels of service, measures and targets

3.3.1 Northland's economic wellbeing is made more resilient by the coordination and delivery of sustainable economic development activities and funding across the region, and is benefitting from well-established partnerships

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Northland Incs annual statement of intent contains at least one KPI relating to supporting businesses transition to net zero-carbon	New measure	At least one a year			
Council is contributing to at least one big infrastructure project that supports economic development in the region each year	New measure	At least one a year			
Percentage of actions in the regional economic development strategy being implemented in accordance with the phasing schedule/plan each year	New measure	100% of actions			

3.4 Community engagement

Levels of service, measures and targets

3.4.1 Communities are well informed about council's work, know how to get involved, and are engaged in council processes

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of residents surveyed who are satisfied with overall communication and engagement	35% - achieved (from 33%)	Maintain or increase			

3.5 Customer services

3.5.1 Quality service is provided, that is effective and informative

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of customers surveyed who are satisfied with the quality of service received following an interaction with council	69.5% - achieved (baseline = 58%)	Maintain or increase			

3.6 Corporate services

Levels of service, measures and targets

3.6.1 The corporate systems and investments that support council activities are effective and future-focussed

How we'll measure our performance	Latest result:	2024/25	2025/26	2026/27	By 2033/34
Percentage of staff satisfied with the quality of internal systems and processes that support the delivery of council work	New measure	90% of staff satisfied			
Percentage return achieved across council's investment portfolio that is available to fund council activities	New measure	At least 7% net return per annum (as per the investment policy)			

Northland Regional Council: Funding impact statement for 2024–2034 for regional leadership group activities

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Sources of operating funding						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates (other than targeted water rates)	9,868	11,309	12,357	12,993	13,390	13,709
Grants and subsidies for operating purposes	415	456	562	680	696	711
Fees, charges and targeted rates for water supply	617	633	647	663	677	691
Internal charges and overheads recovered	13,522	15,724	16,156	16,580	16,937	17,247
Local authorities fuel tax, fines, infringement fees and other receipts	8,450	14,870	14,808	15,130	17,099	18,361
Total operating funding	32,872	42,992	44,530	46,046	48,799	50,719
Applications of operating funding						
Payments to staff and suppliers	28,440	30,763	32,767	34,417	35,803	36,417
Finance costs	451	833	915	982	1,025	1,021
Internal charges and overheads applied	1,324	2,008	2,062	2,115	2,162	2,211
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding	30,215	33,604	35,744	37,514	38,990	39,649
Surplus/(Deficit) of operating funding	2,657	9,388	8,786	8,532	9,809	11,070
Sources of capital funding						
Subsidies and grants for capital purposes	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase/(Decrease) in debt	-	-	-	-	-	-
Gross proceed from asset sales	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-
Applications of capital funding						
Capital expenditure						
- To meet additional demands						
- To improve levels of service	6,126	4,857	4,888	345	249	249
- To replace existing assets	454	535	436	449	526	553
Increase/(Decrease) in reserves	(583)	643	466	754	2,196	3,652
Increase/(Decrease) in investments	(3,340)	3,353	2,996	6,984	6,838	6,616
Total applications of capital funding	2,657	9,388	8,786	8,532	9,809	11,070
Surplus/(Deficit) from capital funding	(2,657)	(9,388)	(8,786)	(8,532)	(9,809)	(11,070)
FUNDING BALANCE	-	-	-	-	-	-

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Sources of operating funding					
-	-	-	-	-	- General rates, uniform annual general charges, rates penalties
13,973	14,194	14,570	14,210	14,608	Targeted rates (other than targeted water rates)
726	740	755	770	784	Grants and subsidies for operating purposes
704	717	731	744	757	Fees, charges and targeted rates for water supply
17,607	18,010	18,378	18,789	19,210	Internal charges and overheads recovered
16,288	19,633	23,127	17,517	24,011	Local authorities fuel tax, fines, infringement fees and other receipts
49,298	53,294	57,561	52,030	59,370	Total operating funding
Applications of operating funding					
35,622	38,050	40,652	38,412	40,793	Payments to staff and suppliers
1,119	1,192	1,227	1,307	1,393	Finance costs
2,253	2,304	2,356	2,409	2,463	Internal charges and overheads applied
-	-	-	-	-	Other operating funding applications
38,994	41,546	44,235	42,128	44,649	Total applications of operating funding
10,304	11,748	13,326	9,902	14,721	Surplus/(Deficit) of operating funding
Sources of capital funding					
-	-	-	-	-	- Subsidies and grants for capital purposes
-	-	-	-	-	- Development and financial contributions
-	-	-	-	-	- Increase/(Decrease) in debt
-	-	-	-	-	- Gross proceed from asset sales
-	-	-	-	-	- Lump sum contributions
-	-	-	-	-	Total sources of capital funding
Applications of capital funding					
Capital expenditure					
-	-	-	-	-	- To meet additional demands
393	141	396	351	324	- To improve levels of service
458	597	646	665	720	- To replace existing assets
2,764	4,111	5,466	2,162	6,696	Increase/(Decrease) in reserves
6,689	6,899	6,818	6,724	6,980	Increase/(Decrease) in investments
10,304	11,748	13,326	9,902	14,721	Total applications of capital funding
(10,304)	(11,748)	(13,326)	(9,902)	(14,721)	Surplus/(Deficit) from capital funding
-	-	-	-	-	FUNDING BALANCE

Te tauāki pāpātanga pūtea

Funding impact statement



Northland Regional Council: Funding impact statement for 2024–2034 (whole of council)

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Sources of operational funding						
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-
Targeted rates	47,280	54,815	57,988	60,332	62,774	63,642
Grants and subsidies for operating purposes	10,791	13,397	6,831	6,782	6,324	6,369
Fees, charges	6,887	6,342	6,601	6,794	7,036	7,182
Interest and dividends from investments	3,975	3,173	3,561	3,561	3,561	3,561
Local authorities fuel tax, fines, infringement fees and other receipts	8,030	11,796	11,408	11,796	13,845	15,193
Debt Funding	-	-	-	-	-	-
Total sources of operating funding	76,963	89,523	86,389	89,265	93,540	95,947
Applications of operating funding						
Payments to staff and suppliers	73,543	79,877	77,400	80,482	81,769	82,383
Finance costs	1,151	1,672	1,895	2,080	2,199	2,284
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding	74,694	81,549	79,295	82,562	83,968	84,667
Surplus/(Deficit) of operating funding	2,269	7,974	7,094	6,703	9,572	11,280
Sources of capital funding						
Subsidies and grants for capital expenditure	-	5,938	230	-	-	-
Development and financial contributions	-	-	-	-	-	-
Increase/(Decrease) in debt	7,359	5,848	1,383	1,812	885	615
Gross proceed from sale of assets	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
Total sources of capital funding	7,359	11,786	1,613	1,812	885	615
Applications of capital funding						
Capital expenditure						
- To meet additional demands	-	-	-	-	-	-
- To improve levels of service	12,789	17,582	6,796	1,933	1,400	1,138
- To replace existing assets	2,175	736	697	722	836	926
Increase/(Decrease) in reserves	34	9,909	2,266	1,367	3,954	5,453
Increase/(Decrease) in investments	(5,370)	(8,467)	(1,052)	4,493	4,267	4,378
Total Applications of capital funding	9,628	19,760	8,707	8,515	10,457	11,895
Surplus/(Deficit) from capital funding	(2,269)	(7,974)	(7,094)	(6,703)	(9,572)	(11,280)
FUNDING BALANCE	-	-	-	-	-	-

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Sources of operational funding					
-	-	-	-	-	- General rates, uniform annual general charges, rates penalties
65,078	66,426	68,206	69,263	69,934	Targeted rates
6,414	6,457	6,502	6,496	6,541	Grants and subsidies for operating purposes
7,376	7,632	7,789	7,994	8,266	Fees, charges
3,561	3,561	3,561	3,561	3,561	Interest and dividends from investments
13,210	16,643	20,231	14,721	20,977	Local authorities fuel tax, fines, infringement fees and other receipts
-	-	-	-	-	- Debt Funding
95,639	100,719	106,289	102,035	109,279	Total sources of operating funding
Applications of operating funding					
82,678	85,846	89,638	88,397	91,950	Payments to staff and suppliers
2,374	2,471	2,555	2,620	2,162	Finance costs
-	-	-	-	-	- Other operating funding applications
85,052	88,317	92,193	91,017	94,112	Total applications of operating funding
10,587	12,402	14,096	11,018	15,167	Surplus/(Deficit) of operating funding
Sources of capital funding					
-	-	-	-	-	- Subsidies and grants for capital expenditure
-	-	-	-	-	- Development and financial contributions
360	170	-	-	-	- Increase/(Decrease) in debt
-	-	-	-	-	- Gross proceed from sale of assets
-	-	-	-	-	- Lump sum contributions
-	-	-	-	-	- Other dedicated capital funding
360	170	-	-	-	Total sources of capital funding
Applications of capital funding					
Capital expenditure					
-	-	-	-	-	- To meet additional demands
984	408	494	515	483	- To improve levels of service
932	1,150	1,006	1,016	1,023	- To replace existing assets
4,454	5,977	7,396	3,998	7,740	Increase/(Decrease) in reserves
4,577	5,037	5,200	5,489	5,921	Increase/(Decrease) in investments
10,947	12,572	14,096	11,018	15,167	Total applications of capital funding
(10,587)	(12,402)	(14,096)	(11,018)	(15,167)	Surplus/(Deficit) from capital funding
-	-	-	-	-	FUNDING BALANCE

This statement is GST exclusive. It is required under the Local Government Act 2002 (Schedule 10, Clause 15) and conforms to Schedule 2, Form 3 of the Local Government (Financial Reporting and Prudence) Regulations 2014. Generally Accepted Accounting Practice (GAAP) does not apply to funding impact statements as stated in section 111(2) of the Local Government Act 2002. Key divergences from GAAP are not including depreciation; including internal charges; and combining capital and operational items in one financial statement.

Reconciliation to statement of comprehensive revenue and expense

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Capital expenditure included above not in Comprehensive Revenue and Expense	14,964	18,318	7,493	2,655	2,236	2,065
Investment movements included above not in Comprehensive Revenue and Expense	(5,370)	(8,466)	(1,055)	4,491	4,267	4,376
Other Gains included in Comprehensive Income not above		0	0	0	0	0
Gross Proceeds included above not in Comprehensive Income	0	0	0	0	0	0
Financial Asset fair value adjustments included in comprehensive income but not above		0	0	0	0	0
Property revaluation adjustments included in comprehensive income but not above		0	0	0	0	0
Proceeds from Borrowings included above not in comprehensive revenue	(7,359)	(5,848)	(1,383)	(1,812)	(885)	(615)
Transfers to/(from) special reserves included above not in comprehensive Income	34	9,907	2,264	1,369	3,954	5,454
Infrastructure asset revaluation adjustments included in comprehensive income but not above		0	1,057	0	0	4,466
Depreciation Expense included in Comprehensive Income not above	(2,235)	(2,498)	(2,629)	(2,814)	(2,999)	(3,231)
Total Comprehensive Income per the Statement of Comprehensive Revenue and Expense	34	11,413	5,752	3,889	6,573	12,515

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
1,915	1,558	1,500	1,531	1,507	Capital expenditure included above not in Comprehensive Revenue and Expense
4,578	5,038	5,202	5,489	5,919	Investment movements included above not in Comprehensive Revenue and Expense
-	-	-	-	-	Other Gains included in Comprehensive Income not above
-	-	-	-	-	Gross Proceeds included above not in Comprehensive Income
-	-	-	-	-	Financial Asset fair value adjustments included in comprehensive income but not above
-	-	-	-	-	Property revaluation adjustments included in comprehensive income but not above
(360)	(170)	0	0	0	Proceeds from Borrowings included above not in comprehensive revenue
4,453	5,978	7,396	3,999	7,741	Transfers to/(from) special reserves included above not in comprehensive Income
0	0	7,554	0	0	Infrastructure asset revaluation adjustments included in comprehensive income but not above
(3,465)	(3,684)	(3,904)	(4,155)	(4,392)	Depreciation Expense included in Comprehensive Income not above
7,121	8,720	17,748	6,864	10,775	Total Comprehensive Income per the Statement of Comprehensive Revenue and Expense

Ngā reiti

Rates



Rating funding impact statement

This statement is GST exclusive. It shows total gross expenditure and lists (by rate and income type) the funding derived from each source, for easy reference.

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
Excluding GST	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Operational Expenditure	76,929	84,048	81,924	85,376	86,967	87,898
Capital Expenditure	14,964	18,318	7,493	2,655	2,236	2,065
Total Gross Expenditure	91,893	102,366	89,417	88,031	89,203	89,963
Funded By						
Council Services Rate	14,662	18,028	20,148	21,064	21,946	22,645
Land and Freshwater Management Rate	10,958	11,807	12,395	12,442	12,708	13,162
Pest Management Rate	7,184	8,725	9,110	9,490	10,141	10,426
Flood Infrastructure Rate	3,093	3,483	3,559	3,748	3,854	3,962
Emergency and Hazard Management Rate	4,120	4,937	5,570	6,111	6,701	5,981
Targeted Regional Sporting Facilities Rate	1,385	1,385	1,385	1,385	1,385	1,385
Targeted Regional Economic Development Rate	835	1,017	1,238	1,507	1,547	1,588
Other Targeted Rates	5,043	5,434	4,583	4,583	4,492	4,492
Grants and Subsidies	10,791	19,335	7,061	6,782	6,324	6,369
User Charges	6,887	6,343	6,602	6,794	7,036	7,182
Rental Income	4,274	4,331	4,326	4,816	5,007	5,084
Interest Income	433	184	572	572	572	572
Gains Income	3,490	7,464	7,083	6,980	7,141	7,454
Dividend Income	3,542	2,989	2,989	2,989	2,989	2,989
Forestry Income	266	-	-	-	1,697	2,656
Borrowings	7,359	5,718	1,318	1,772	780	785
Cash Reserves from/(to)	7,571	1,187	1,481	(3,006)	(5,117)	(6,769)
Total Funding	91,893	102,366	89,417	88,031	89,203	89,963

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	Excluding GST
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
88,517	92,001	96,097	95,172	98,505	Operational Expenditure
1,915	1,558	1,500	1,531	1,507	Capital Expenditure
90,432	93,559	97,597	96,703	100,012	Total Gross Expenditure
					Funded By
23,180	23,605	24,459	24,567	25,504	Council Services Rate
13,482	13,831	14,179	14,536	14,452	Land and Freshwater Management Rate
10,708	10,986	11,272	11,564	11,864	Pest Management Rate
4,069	4,175	4,284	4,395	3,918	Flood Infrastructure Rate
6,130	6,276	6,426	6,580	6,738	Emergency and Hazard Management Rate
1,385	1,385	1,385	1,385	1,385	Targeted Regional Sporting Facilities Rate
1,631	1,674	1,708	1,741	1,775	Targeted Regional Economic Development Rate
4,493	4,493	4,493	4,494	4,299	Other Targeted Rates
6,414	6,457	6,502	6,496	6,541	Grants and Subsidies
7,376	7,631	7,788	7,994	8,266	User Charges
5,389	5,689	5,720	5,663	5,199	Rental Income
572	572	572	572	572	Interest Income
7,820	8,128	8,549	9,058	9,671	Gains Income
2,989	2,989	2,989	2,989	2,989	Dividend Income
-	2,828	5,964	-	6,108	Forestry Income
530	170	-	-	-	Borrowings
(5,736)	(7,331)	(8,693)	(5,333)	(9,267)	Cash Reserves from/(to)
90,432	93,559	97,597	96,703	100,012	Total Funding

Types of rates

The amounts of the rates stated include the council's GST obligations (GST Incl.). Council intends to set the following rates in each of the years covered by the long term plan, unless specifically stated. The rates amounts indicated are for the 2024/25 year only.

The council does not accept lump sum contributions in respect of any targeted rate.

Uniform annual general charge

The council does not set a uniform annual general charge.

Targeted region-wide rates

The council sets five rates, which are applied as targeted region-wide rates – the Council Services Rate, Land and Freshwater Management Rate, Pest Management Rate, Flood Infrastructure Rate and the Emergency and Hazard Management Rate. Targeted region-wide rates are assessed on all rateable properties in the Northland region.

Council Services Rate

What it funds

The council uses the council services rate to fund some activities that are carried out under the Resource Management Act 1991, the Local Government Act 2002, the Maritime Transport Act 1994, maritime bylaws and any other activities that are not covered by any other funding source. This rate will fund the costs remaining after appropriate user fees and charges and a share of investment income, where available, have been taken into account.

How it is set

The Council Services Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. The rate is differentiated by location in the Northland region, and assessed as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and on each rating unit in the Kaipara district. An additional \$1.73 per SUIP of a rating unit is to be assessed across the Whangārei constituency to provide \$79,448 to fund the ongoing maintenance of the Hātea River channel.

How much is the rate?

The estimated total Council Services Rate amounts to \$20,731,988 for the 2024/25 financial year.

The Council Services Rate payable in respect of each rating unit in the Kaipara district, and each SUIP of a rating unit in the Far North and Whangārei districts, will be set as shown in the following table.

The funding impact statement recognises that a differentiated, fixed amount on each rating unit (property) or SUIP of a rating unit links better to resource management planning, strategic planning, education, public advice, the public-good elements of issuing resource consents, regional advocacy and transport planning where the link to land value is very weak.

Council Services Rate

District	Rate	Rateable unit
Far North	\$199.02	per SUIP
Kaipara	\$242.60	per rating unit
Whangārei	\$209.33	per SUIP

Land and Freshwater Management Rate

What it funds

This land value-based rate is used to fund activities that are carried out under the Soil Conservation and Rivers Control Act 1941, the Resource Management Act 1991 and the National Policy Statement for Freshwater Management, including its amendments.

The rate will specifically fund land and freshwater management activities. This rate will fund the costs remaining after appropriate user fees and charges, grants and subsidies, and a share of investment income (where available) have been taken into account. The Land and Freshwater Management Rate is assessed across all sectors of the Northland community and recognises that the benefit derived from the funded activities is strongly linked to land values.

How it is set

The Land and Freshwater Management Rate is a targeted rate authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of the land value. The rate per dollar of land value is different for each constituent district because the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act 2002. The council does not apply a differential on this rate.

How much is the rate?

The estimated total Land and Freshwater Management Rate is \$13,576,972 for the 2024/25 financial year. The following table shows the actual and equalised land value for each district, and the rate per \$100,000 of land value for each district based on the equalised land values. If all districts had the same valuation date, each district would have the same rate per \$100,000 of actual land value.

Land and Freshwater Management Rate

District	Actual land value \$(000)s	Equalised land value \$(000)s	Rate per \$100,000 of actual land value
Far North	18,485,618	17,731,983	\$27.65
Kaipara	9,530,826	9,530,826	\$28.29
Whangārei	20,718,314	20,875,011	\$28.68

Pest Management Rate

What it funds

The council uses the Pest Management Rate to fund activities that are carried out under the Biosecurity Act 1993. This rate will fund the costs remaining after appropriate user fees and charges, grants and subsidies, and a share of investment income (where available) have been taken into account. For new activities funded by this rate that relate to the implementation of the Northland Regional Pest Management Plan, consideration is given to the requirements of section 100T of the Biosecurity Act 1993. An analysis required under section 100T of the Biosecurity Act 1993 is set out below. This analysis was adopted by council prior to setting rates in June 2024.

The Pest Management Rate will specifically fund pest plant, disease, and pest animal management activities.

How it is set

The Pest Management Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. The rate is differentiated by location in the Northland region and assessed as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and on each rating unit in the Kaipara district.

How much is the rate?

The estimated total Pest Management Rate amounts to \$10,033,964 for the 2024/25 financial year.

The Pest Management Rate is payable in respect of each rating unit in the Kaipara district, and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and will be set as shown in the following table. This funding impact statement recognises that a differentiated, fixed amount on each rating unit (property), or SUIP of a rating unit, links better to pest management activities, where the link to land value is very weak.

Pest Management Rate

District	Rate	Rateable unit
Far North	\$96.70	per SUIP
Kaipara	\$117.87	per rating unit
Whangārei	\$100.86	per SUIP

Analysis under S100T of the Biosecurity Act

Council carries out its pest management activities in accordance with its Northland Regional Pest and Marine Pathway Management Plan 2017-2027. Section 100T of the Biosecurity Act requires that a regional council must decide the extent to which it funds the implementation of its regional pest and/or pathway management plan from a general rate, targeted rate, or a combination of both. The factors that council must have regard to in making this decision, and council's analysis in relation to considering the Pest Management Rate, are set out here.

100T (2)(a) The extent to which the plan relates to the interests of occupiers of the properties on which the rate would be levied:

The Pest Management Rate provides a single, clear, region-wide targeted rate for land, freshwater biosecurity activities and marine pest control activities, and for raising funds for pest control throughout Northland, and it is council's conclusion that it is in the interests of everyone in Northland as all occupiers will receive some benefit from the plan either directly or indirectly.

It is proposed that a targeted Pest Management Rate be collected from all properties within Northland to fund land, freshwater and marine pest control activities. In total, \$10.03 million for 2024/25 would be collected (GST inclusive).

The regional pest management region-wide targeted rate applies to all property owners. In regard to marine pest inspection and response activities, the costs will be split in the proportions of 65% to vessel owners and structures by way of a charge on marina berths, boatsheds, commercial ports and mooring owners, and 35% funded from a combination of Pest Management Rate, council investments and other council revenue. New marine pest incursion response activities carried out will be funded by way of the Pest Management Rate and/or from council's equalisation reserve which holds year-end surpluses comprising general rates and rates collected via the pest management rate.

This is expected to raise \$1.010 million to fund all marine pest activities in the Northland Regional Pest and Marine Pathway Management Plan 2017-2027.

100T (2)(b) The extent to which the occupiers of the properties on which the rate would be levied will obtain direct or indirect benefits from the implementation of the plan:

Northland ratepayers receive both direct and indirect benefits from the implementation of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027, including protection of native forests and wetland ecosystems found on private land, and supporting communities who are involved in the restoration of iconic fauna such as kiwi, coastal seabirds and kākūpa.

Regarding marine pest activities, the charges will provide protection of the Northland marine environment both now and into the future from the damaging impacts of marine pests on:

- » recreational and commercial fishing
- » marine tourism, and
- » indigenous marine biodiversity.

Regarding the Marine Pathway Plan, vessel owners will directly benefit from having cleaner hulls and a reduced risk of marine pest colonisation. Owners of aquaculture farms will also benefit from the reduced spread of biofouling and marine pests.

The extent to which the benefits are direct rather than indirect depends on how ratepayers use and appreciate the marine environment. Direct benefits may accrue to vessel owners, owners of marine structures because of less biofouling, and those who harvest kai moana.

The extent to which the benefits can be judged as direct rather than indirect depends on how ratepayers use and appreciate the environmental values that pests can affect. Direct benefits may accrue to landowners because of fewer pest plants, protection from kauri dieback disease, prevention of pest arrivals that are new to the region, reductions in marine or animal pests such as possums, stoats and rats, and increases in native biodiversity including growing kiwi populations.

100T (2)(c) The collective benefits of implementing the plan to the occupiers of the properties on which the rate would be levied compared with the collective costs to them of the rate:

It is considered that the collective benefits of a Pest Management Rate outweigh the costs, and the differentiated targeted rate ensures benefits accrue across all ratepayers.

For terrestrial, freshwater, disease and marine pests, only those that have met the requirements for a positive cost-benefit analysis have been included in the Northland Regional Pest and Marine Pathway Management Plan 2017-2027. New pests not yet found in the region were also considered as part of the cost-benefit analysis, as they often require an urgent response to prevent their spread. Consequently the rate will be applied to new incursions where it is relevant to do so.

In regard to the Marine Pathway Plan, the cost-benefit analysis shows that there is a high net positive benefit of implementing this plan. In regard to other pests in the Northland Regional Pest and Marine Pathway Management Plan 2017-2027 species have been selected on the basis that they have all passed a cost benefit evaluation.

100T (2)(d) for the Regional Pest Management Plan, the extent to which the characteristics of the properties on which the rate would be levied and the uses to which they are put contribute to the presence or prevalence of the pest/pests covered by it:

Pests can travel across property boundaries and have an impact regardless of how properties are managed, and many pests have the capability to spread rapidly. The characteristics of properties that influence their establishment and spread are highly complex and variable, and depend on biotic and abiotic factors such as access to food, suitable climate and ability to overcome predation and competition. A region-wide targeted rate enables a consistent approach across the whole region, while recognising the presence of individual pests may vary depending on the property characteristics. Therefore, this approach is considered appropriate and fit for purpose.

The characteristics of properties is not a relevant consideration in respect of marine pest activities, as this activity focuses on reducing the spread of biofouling of vessel hulls.

100T (2)(e) for the Marine Pathway Management Plan, the extent to which the characteristics of the properties on which the rate would be levied and the uses to which they are put contribute to the actual or potential risks associated with the pathway:

The characteristics of properties is not a relevant consideration in respect of the Marine Pathway Management Plan, which focuses on reducing the spread of biofouling of vessel hulls – so the characteristics of the properties themselves provide no contribution to the actual or potential risks.

Biofouling on vessels pose the greatest risk of marine pest transfer, and council has determined that the costs will be split in the proportions of 65% to vessel owners and structures by way of a charge on marina berths, boat sheds, commercial ports and mooring owners, with the remaining 35% to be funded from a combination of the Pest Management Rate, council investments and other council revenue.

Flood Infrastructure Rate

What it funds

This rate will fund flood adaptation work, including partially or fully funding the development of flood risk management infrastructure in communities across Northland that meet specified criteria as approved by the council (as set out in 'Proposed funding methods' in the Rautaki hanganga - Infrastructure strategy: Flood protection and control, included in this Long Term Plan 2024–2034). Targeted rates will be used to fund the portion of flood risk management infrastructure that is not met by the Flood Infrastructure Rate, and operational river schemes works.

How it is set

The Flood Infrastructure Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. This rate is assessed as a fixed amount on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and each rateable rating unit in the Kaipara district.

How much is the rate?

The estimated total Northland Flood Infrastructure Rate amounts to \$4,005,507 for the 2024/25 financial year. The rate for each rating unit in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts is set as \$40.67

Emergency and Hazard Management Rate

What it funds

The council uses the Emergency and Hazard Management Rate to fund activities that are carried out under the Civil Defence Emergency Management Act 2002, Resource Management Act 1991, Soil Conservation and Rivers Control Act 1941, and climate change adaptation planning activities. This rate will fund the costs remaining after appropriate user fees and charges, grants and subsidies, and a share of investment income (where available), have been taken into account.

How it is set

The Emergency and Hazard Management Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. The rate is differentiated by location in the Northland region, and assessed as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and on each rating unit in the Kaipara district.

How much is the rate?

The estimated total Emergency and Hazard Management Rate amounts to \$5,677,255 for the 2024/25 financial year.

The Emergency and Hazard Management Rate payable in respect of each rating unit in the Kaipara district, and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts of the Northland region, will be set as shown in the following table.

This funding impact statement recognises that a differentiated, fixed amount on each rating unit or SUIP of a rating unit links better to emergency and hazard management activities where the link to land value is weak.

Emergency and Hazard Management Rate

District	Rate	Rateable unit
Far North	\$54.71	per SUIP
Kaipara	\$66.69	per rating unit
Whangārei	\$57.07	per SUIP

Specific targeted rates

The following specific targeted rates are for 2024/25. Council intends to set the following rates in each of the years covered by the long term plan, unless specifically stated.

Regional Rescue Services Rate

(previously the Emergency Services Rate)

What it funds

The council will collect the Regional Rescue Services Rate to provide a funding pool for selected organisations whose primary purpose is to save lives that are in immediate or critical danger, or to respond to serious injury. The funds must be applied to the provision of services in Northland. The fund recipients will be granted funding for a three-year period, on a contestable basis.

How it is set

The Regional Rescue Services Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. This rate is assessed as a fixed amount on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and each rateable rating unit in the Kaipara district.

How much is the rate?

The estimated total Regional Rescue Services Rate is \$1,112,914 for the 2024/25 financial year. The rate for each rating unit in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts is set as \$11.30.

How is the rate applied?

The Regional Rescue Services Rate will be applied to approved recipients.

Regional Sporting Facilities Rate

What it funds

The council will collect the Regional Sporting Facilities Rate to contribute funds towards the development of sporting facilities across Northland that are of regional benefit. Potential recipient projects will be determined through ongoing work on the Northland Sports Facilities Plan.

How it is set

The Regional Sporting Facilities Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. This rate is assessed as a fixed amount on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and each rateable rating unit in the Kaipara district.

How much is the rate?

The estimated total Northland Regional Sporting Facilities Rate amounts to \$1,593,536 for the 2024/25 financial year. The rate for each rating unit in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts is set as \$16.18.

How is the rate applied?

This rate is applied to the development of sporting facilities that are of regional benefit.

Regional Economic Development Rate

What it funds

The Regional Economic Development Rate will fund activities that support the economic wellbeing of Northland, and community infrastructure.

How it is set

The Regional Economic Development Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar of land value is different for each constituent district as the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act. The council does not apply a differential on this rate.

How much is the rate?

The estimated total Regional Economic Development Rate is \$1,169,292 for the 2024/25 financial year.

The following table shows the actual and equalised land value for each district, and the rate per \$100,000 of land value for each district, based on the equalised land values. If all districts had the same valuation date, each district would have the same rate per \$100,000 of actual land value.

Regional Economic Development Rate

District	Actual land value \$(000)s	Equalised land value \$(000)s	Rate per \$100,000 of actual land value
Far North	\$18,485,618	\$17,731,983	\$2.38
Kaipara	\$9,530,826	\$9,530,826	\$2.44
Whangārei	\$20,718,314	\$20,875,011	\$2.47

How is the rate applied?

This rate is applied to the investment and growth reserve.

Whangārei Transport Rate

What it funds

This rate forms the local contribution required to fund the Whangārei bus passenger transport services, the administration of the Whangārei Total Mobility scheme, and provision of other public transport services in the Whangārei district.

How it is set

The Whangārei Transport Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How much is the rate?

The estimated total Whangārei Transport Rate is \$2,393,467 for the 2024/25 financial year. The rate will be set at \$51.81 for each rateable separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How is the rate applied?

The Whangārei Transport Rate will be applied to the passenger transport administration activity to subsidise bus passenger transport, administration of the Total Mobility service, and provide other public transport services in the Whangārei district.

Far North Transport Rate

What it funds

This rate funds the Far North bus passenger transport services, and the investigation and provision of other public transport services in the Far North district.

How it is set

The Far North Transport Rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North district.

How much is the rate?

The estimated total Far North Transport Rate is \$319,404 for the 2024/25 financial year. The rate will be set at \$8.57 for each rateable separately used or inhabited part (SUIP) in the Far North district.

How is the rate applied?

The Far North Transport Rate will be applied to the passenger transport administration activity to subsidise provision of bus passenger transport, and the investigation and provision of other public transport services in the Far North district.

Awanui River Management Rate

What it funds

This rate funds capital and operational works on the Awanui River flood management scheme.

How it is set

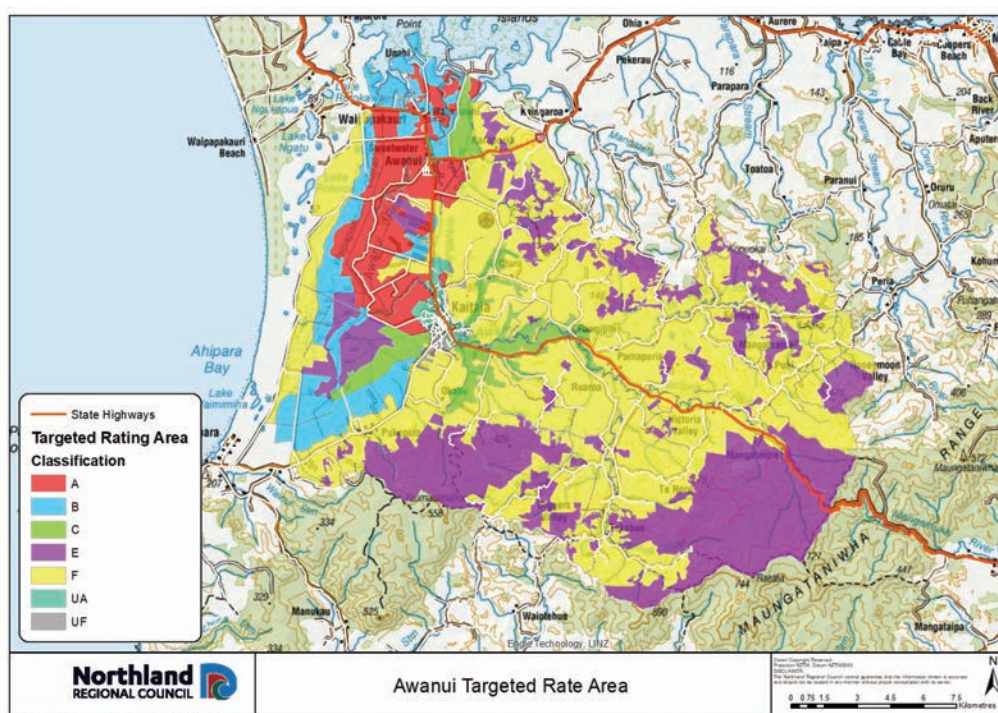
The Awanui River Management Rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by the following table and maps. The rate is set differentially as follows:

Awanui River Management Rate

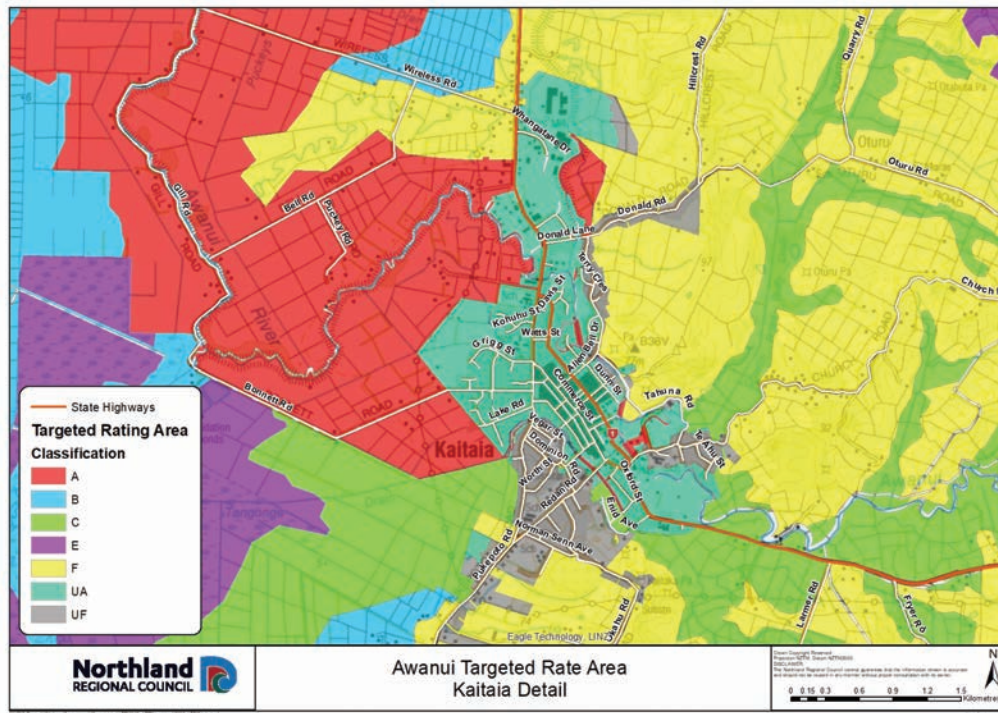
Category	Description	Rate	Rateable unit
1	Urban rate class UA (floodplain location) \$267.90 direct benefit plus \$26.71 indirect benefit per separately used or inhabited part of a rating unit.	\$294.61	Per SUIP
2	Urban rate classes UF (higher ground) \$26.71 direct benefit plus \$26.71 indirect benefit per separately used or inhabited part of a rating unit.	\$53.41	Per SUIP
3	Commercial differential factor applicable to urban rate classes UA and UF, and rural hectare rate classes A & B, C, E and F.	3.0 times the appropriate rate	Urban rate classes UA and UF, and rural hectare rate classes A & B, C, E and F
4	Rural rate differentiated by class, \$10.96 per separately used or inhabited part of a rating unit of indirect benefit, plus a rate per hectare for each of the following classes of land in the defined Kaitaia flood rating district as illustrated in the following maps and table.	\$10.96	Per SUIP

The rating classifications and the rate charged are illustrated in the following maps and table:

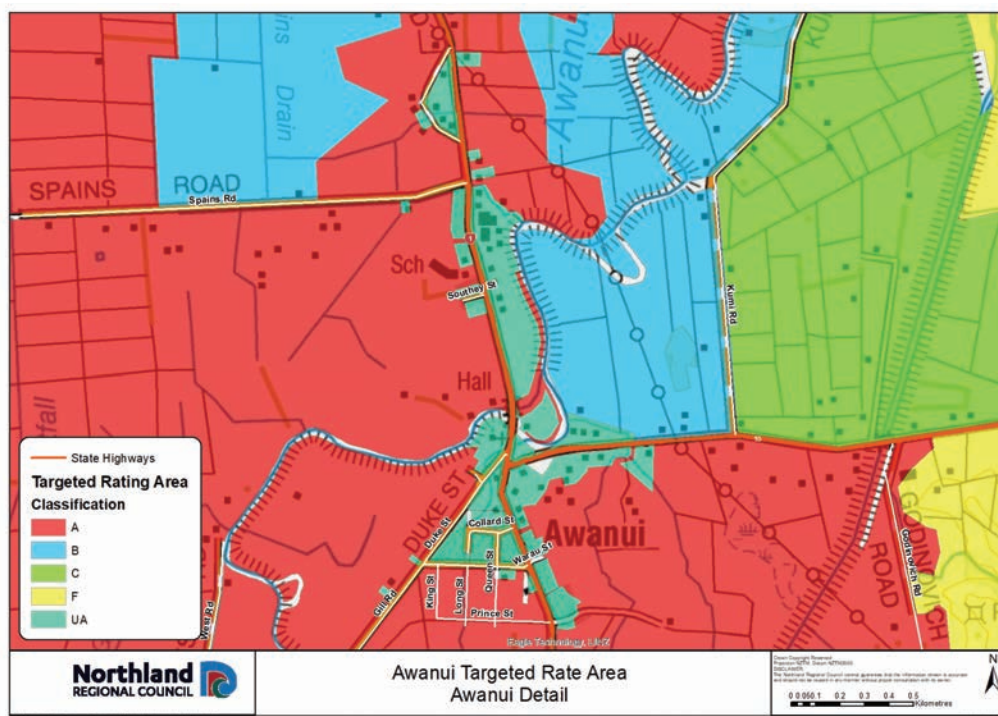
Awanui River scheme targeted rate



Awanui River scheme targeted rate - Kataia detail



Awanui River scheme targeted rate - Awanui detail



Awanui River Management Rate

Class	Description	Rate per hectare
A & B	High benefit; rural land which receives high benefit from the Awanui scheme works due to reduced river flooding risk and/or reduced duration of flooding and/or reduced coastal flooding.	\$22.40
C	Moderate benefit; land floods less frequently and water clears quickly.	\$10.32
E	Land in flood-ways and ponding areas that receive no benefit and land retained in native bush that provides watershed protection.	-
F	Contributes run-off waters, and increases the need for flood protection.	\$0.72

For more detailed information on rating class boundaries, please refer to the **Awanui Scheme Asset Management Plan**, which is available on our website.

How much is the rate?

The estimated total Awanui River Management Rate is \$973,171 for the 2024/25 financial year. The revenue sought from each category of rateable land will be as follows:

Awanui River Management Rate

Class	Rural or urban	Total revenue
A & B	Rural	\$125,718
C	Rural	\$15,992
F	Rural	\$18,639
Indirect benefit	Rural	\$19,180
Urban A	Urban	\$427,479
Urban F	Urban	\$35,464
Commercial differential	Majority urban	\$330,699
Total		\$973,171

How is the rate applied?

The rate is applied 100% to Awanui River flood management scheme works, which form part of the river management activity.

Kaihū River Management Rate

Kaihū River targeted rate area

What it funds

This rate funds channel maintenance works on the Kaihū River flood management scheme.

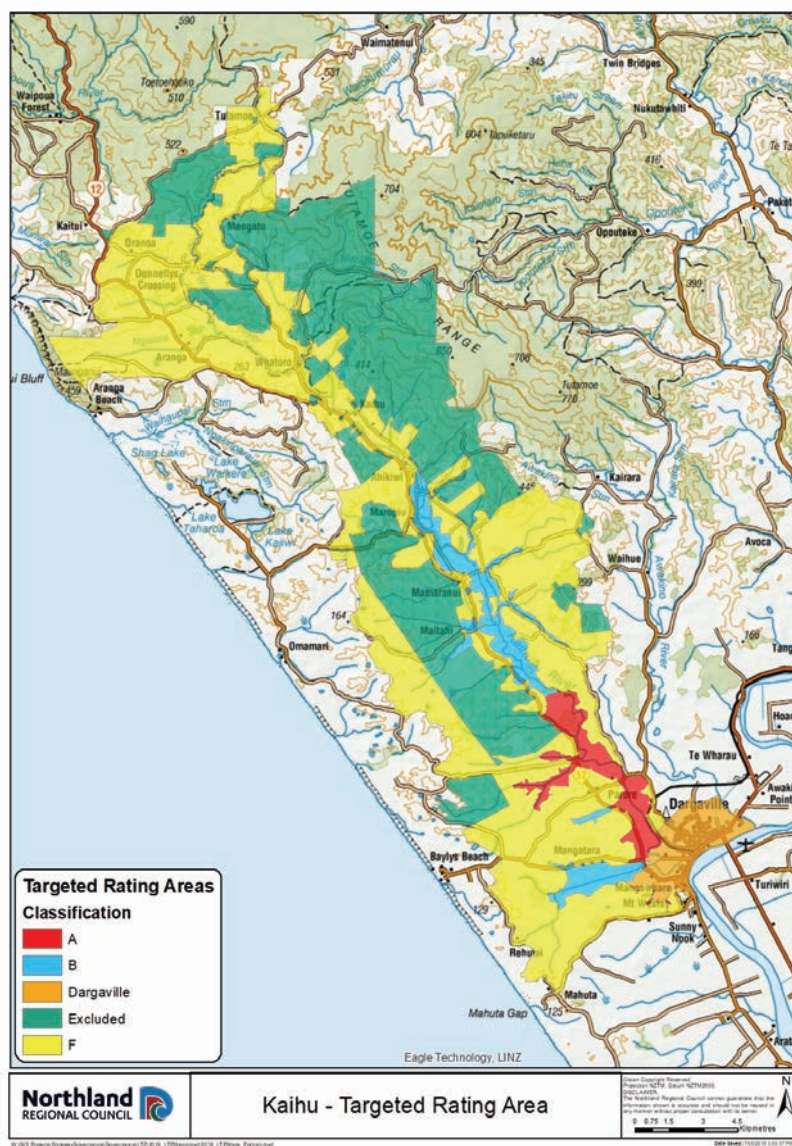
How it is set

The Kaihū River Management Rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by this map and the following table.

The council will set the rate differentially as follows:

- » Class A – land on the floodplain and side valleys downstream of the Rotu Bottleneck; rate is applied per hectare of land.
- » Class B – land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12; rate is applied per hectare of land.
- » Class F (Catchment rate) – balance of land within the Kaihū River rating area not falling within class A and class B or the excluded area; rate is applied per hectare of land.
- » Urban contribution – a contribution from Kaipara District Council instead of a separate rate per property.

The rating classifications and the rate charged are as follows:



Kaihū River Management Rate

Class	Description	Rate per hectare
A	Land on the floodplain and side valleys downstream of the Rotu Bottleneck.	\$23.13
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12.	\$11.39
F	Balance of rateable land within the Kaihū River rating area not excluded from liability for this rate.	\$1.60
	Urban contribution	Per annum
	A contribution from Kaipara District Council instead of a separate rate per property.	\$5,015.40

How much is the rate?

The estimated total Kaihū River Management Rate is \$79,869 in the 2024/25 financial year. The revenue sought from each category of rateable land will be as follows:

Kaihū River Management Rate	
Class	Total revenue
A	\$31,798
B	\$12,148
F	\$30,908
Urban contribution	\$5,015
Total	\$79,869

How is the rate applied?

The rate is applied 100% to Kaihū River flood management scheme works, which form part of the river management activity.

Kāeo-Whangaroa Rivers Management Rate

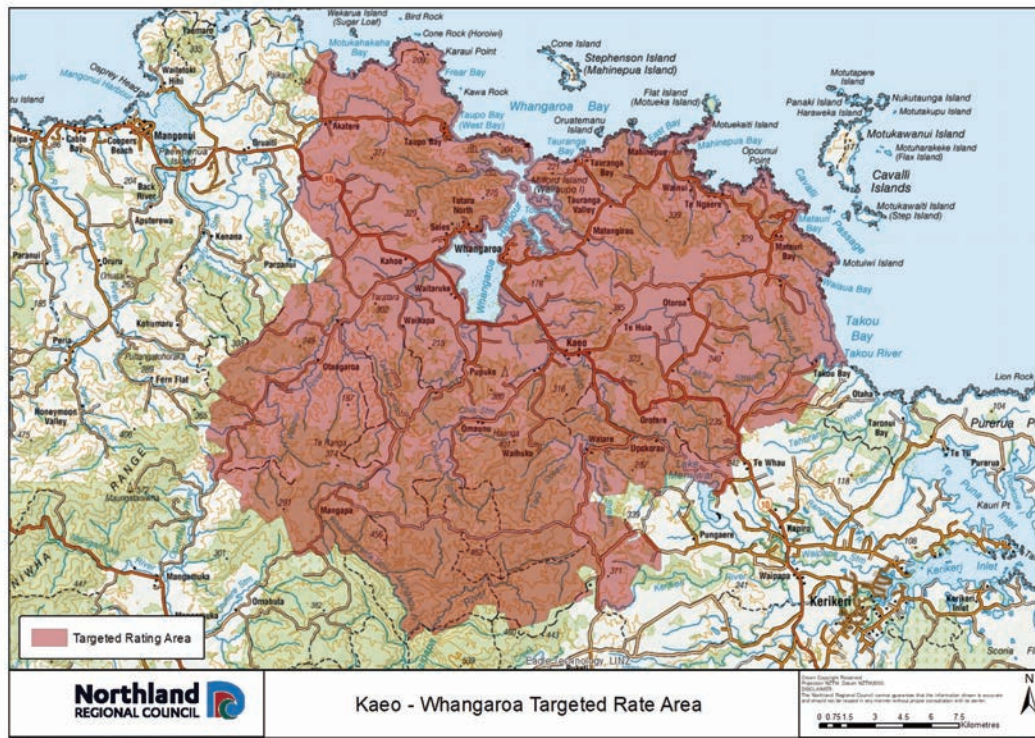
What it funds

This rate funds operational and capital flood scheme works in Kāeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams from Taupō Bay to Te Ngāire.

How it is set

The Kāeo-Whangaroa Rivers Management Rate is a targeted rate set under the Local Government (Rating) Act 2002, set on a uniform basis in respect of each rateable separately used or inhabited part (SUIP) of a rating unit falling within the former Whangaroa ward rating rolls of 100-199, as illustrated in this map.

Kāeo-Whangaroa Rivers targeted rate area



How much is the rate?

The estimated total Kāeo-Whangaroa Rivers Management Rate is \$103,023 in the 2024/25 financial year. The rate is set at \$47.78 and will be assessed on each rateable separately used or inhabited part (SUIP) of a rating unit falling between rating rolls 100-199 of the former Whangaroa ward as illustrated in this map.

How is the rate applied?

The rate is applied 100% to Kāeo-Whangaroa rivers flood management scheme works, which form part of the river management activity.

Whangārei Urban Rivers Management Rate

What it funds

This rate funds the operational costs and capital costs of flood scheme works for urban Whangārei.

How it is set

The Whangārei Urban Rivers Management Rate is a targeted rate set under the Local Government (Rating) Act 2002, and assessed on all rateable properties defined by reference to the differential categories, and differentiated by location (see map on following page), and, for some categories, land use. It is set as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit, as follows:

Whangārei Urban Rivers Management Rate

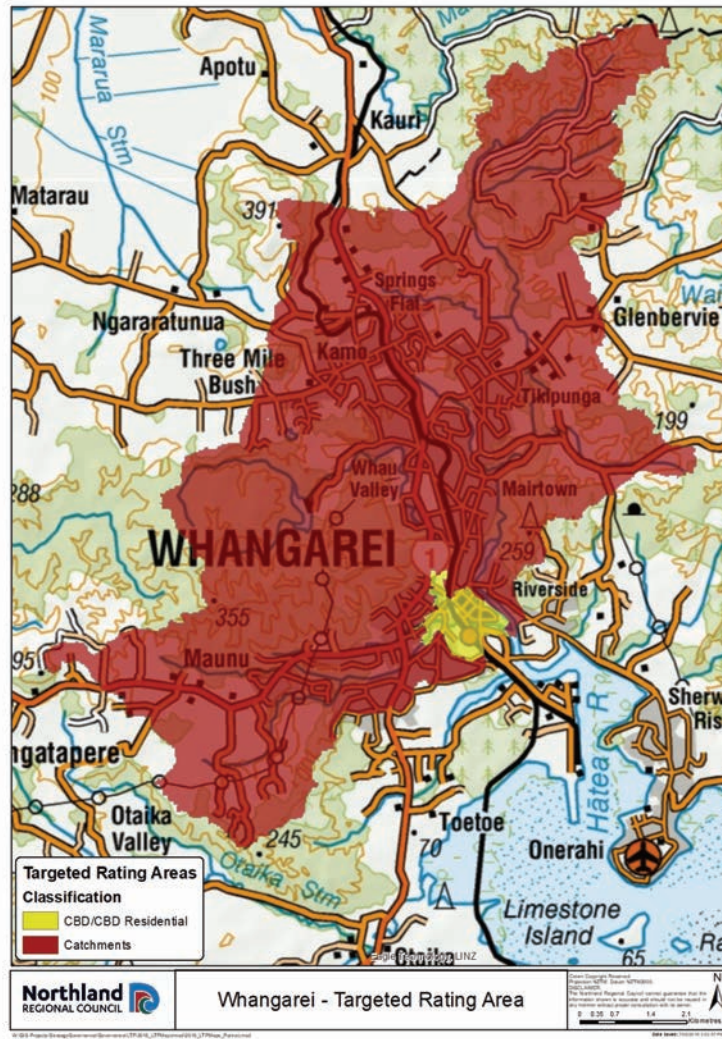
Category	Description	Rate	Rateable unit
1	Commercial properties in the Whangārei CBD flood area.	\$341.08	Per SUIP
2	Residential properties in the Whangārei CBD flood area.	\$169.33	
3	Properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$40.78	

The differential recognises the different categories of beneficiaries to the scheme and the properties that contribute to flooding in the Whangārei CBD. Properties in the contributing water catchment area contribute run-off from rainfall to the CBD, which exacerbates and contributes to flooding, and these properties also receive a wider benefit from reduced flooding of the Whangārei CBD. The commercial and residential properties in the Whangārei CBD flood area are the primary beneficiaries due to reduced flood risk. Commercial properties benefit more significantly than residential properties due to improved business continuity from reduced flooding.

Residential properties in the Whangārei central business district (CBD) flood area are defined as all rating units that are used principally for residential or lifestyle residential purposes, including retirement villages, flats, etc. Residential properties also include multi-unit properties, these being all separate rating units used principally for residential purposes, and on which is situated multi unit-type residential accommodation that is used principally for temporary or permanent residential accommodation and for financial reward, including, but not limited to, hotels, boarding houses, motels, tourist accommodation, residential clubs and hostels, but excluding any properties that are licensed under the Sale and Supply of Alcohol Act 2012.

Commercial properties in the Whangārei CBD flood area are all separate rating units used principally for commercial, industrial or related purposes or zoned for commercial, industrial or related purposes in accordance with the Whangārei district plan. For the avoidance of doubt, this category includes properties licensed under the Sale and Supply of Alcohol Act 2012, and private hospitals and private medical centres.

Whangārei urban rivers management targeted rate area



How much is the rate?

The estimated total Whangārei Urban Rivers Management Rate is \$1,138,199 in the 2024/25 financial year. The revenue sought from each category is as follows:

Whangārei Urban Rivers Management Rate

Category	Description	Total revenue
1	All commercial properties in the Whangārei CBD flood area.	\$352,672
2	All residential properties in the Whangārei CBD flood area.	\$27,769
3	All properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$757,757
Total		\$1,138,199

How is the rate applied?

The rate is applied 100% to Whangārei urban rivers flood scheme works, which form part of the river management activity.

Taumārere Rivers Management Rate

What it funds

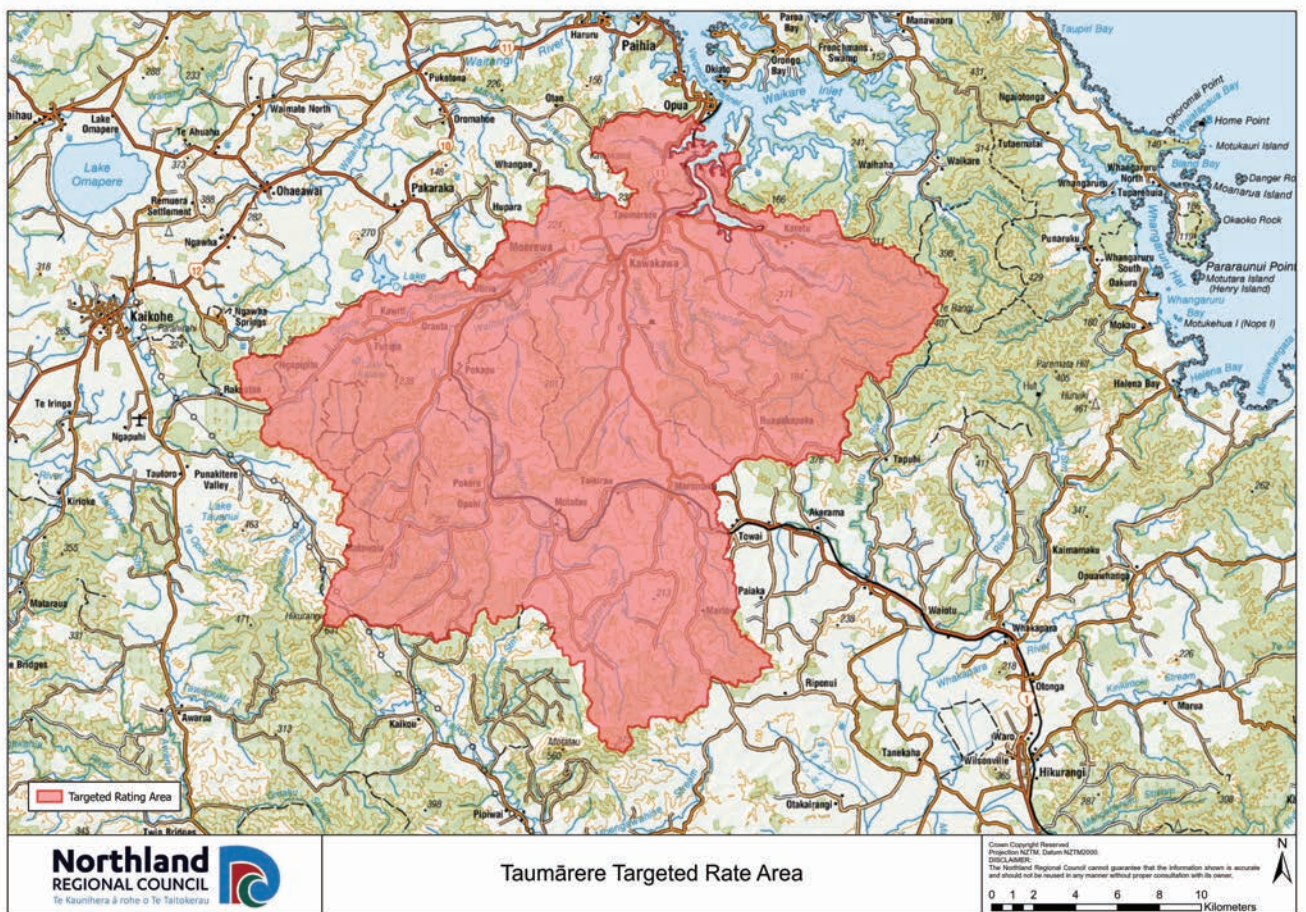
This rate funds operational and capital flood scheme works in the Taumārere catchment to reduce flooding at Otiria and Moerewa, and Kawakawa.

How it is set

The Taumārere Rivers Management Rate is a targeted rate set under the Local Government (Rating) Act 2002, set on a uniform basis in respect of every separately used or inhabited part of a property (SUIP) that is located within the Far North District and within and/or intersects the Taumārere Rivers Management Rate catchment area.

The Taumārere Rivers Management Rate (Taumārere catchment) rating area is defined as the boundary of the amalgamation of the Freshwater Ecosystems of New Zealand database catchment numbers: 4044, 4059, 4121, 4126, 4149, 4160, 8693, 8695, 8721, 8729, 8733, 8753, 8754, 8759, 8765, 8771, 8773, 8776, and 10041, as so many are located in the Far North district. The exclusion to this are those SUIPs that only intersect inside the Taumārere Rivers Management Rate catchment boundary (refer map for catchment boundary) by a maximum of 10m.

Taumārere rivers targeted rate area



How much is the rate?

The estimated total Taumārere Rivers Management Rate is \$128,795 in the 2024/25 financial year. The rate is set at \$68.04 and will be assessed on each rateable separately used or inhabited part (SUIP) of a rating unit as defined above.

How is the rate applied?

The rate is applied 100% to Taumārere River flood management scheme works, which form part of the river management activity.

Further rating information

Each of Northland's three district councils is appointed as a collector for Northland Regional Council in terms of section 53 of the Local Government (Rating) Act 2002. This means that district councils issue rates assessments and invoices for Northland Regional Council's rates. They also collect the rates.

Northland Regional Council (council) has adopted policies regarding remission of rates and penalties, postponement of rates, and early payment of rates. The council remits rates and penalties, postpones payment of rates, applies charges for postponement of rates, and applies discounts for early payment of rates in accordance with these policies. It also resolves that penalties will be added to unpaid rates. The district councils record these transactions on the rating information database and rates records, which they maintain on behalf of council.

Separately used or inhabited part of a rating unit definitions

Northland Regional Council has adopted the same definitions as the Far North and Whangārei district councils to determine a separately used or inhabited part of a rating unit (SUIP) as follows:

Far North district SUIP definition

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

- » 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.
- » Any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

- » individual flats or apartments
- » separately leased commercial areas that are leased on a rating unit basis
- » vacant rating units
- » single rating units that contain multiple uses such as a shop with a dwelling, and
- » a residential building or part of a residential building that is used, or can be used, as an independent residence. An independent residence is defined as having a separate entrance, separate cooking facilities

(e.g. cooking stove, range, kitchen sink, etc) together with living and toilet/bathroom facilities.

The following are not considered to be separately used or inhabited parts of a rating unit:

- » a residential sleep-out or granny flat that does not meet the definition of an independent residence
- » a hotel room with or without kitchen facilities
- » a motel room with or without kitchen facilities, and
- » individual offices or premises of business partners.

Whangārei district SUIP definition

A separately used or inhabited part is defined as:

- » Any part of a property (rating unit) that is **used** or **intended to be 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, license, or other agreement.
- » Any part or parts of a rating unit that is used, or occupied by the ratepayer for more than one single use.

Examples include:

- » each separate shop or business activity on a rating unit
- » each occupied or intended-to-be-occupied dwelling, flat, or additional rentable unit (attached or not attached) on a rating unit
- » individually tenanted flats, including retirement units, apartments and townhouses (attached or not attached) or multiple dwellings on Māori freehold land on a rating unit
- » each block of land for which a separate title has been issued, even if that land is vacant.

Postponement charges for postponed rates in the Far North district

Pursuant to the Local Government (Rating) 2002 Act, council will charge a postponement fee on all rates that are postponed under any of its postponement policies. The postponement fees are as follows:

- » application fee: \$50
- » administration fee: \$50 per annum
- » financing fee on all postponements: currently set at 4.75% per annum but may vary to match council's average cost of funds.

At council's discretion, all these fees may be added to the total postponement balance.

Postponement charges for postponed rates in the Whangārei district

Pursuant to the Local Government (Rating) 2002 Act, council will charge a postponement fee on some rates postponements, as per its postponement policies. The application form will state the details of this charge.

Equalisation of rates

Until recently, each district in Northland was independently revalued by Quotable Value (over a three-yearly cycle, one district per year). Whangārei district now uses Opteon for its valuations. To ensure that property valuations in the remaining two districts are current, a registered valuer also provides the regional council with "an estimate of projected value" of property values in those districts (as provided for in Section 131 of the Local Government (Rating) Act 2002).

The Council Services Rate, Pest Management Rate, and the Emergency and Hazard Management Rate are set by reference to the projected capital value of each district. The Land and Freshwater Management Rate, and Regional Economic Development Rate, are set according to projected land values in each district – for these three rates, remember that if all the districts had the same valuation date, then each district would have the same rate per dollar of actual land value.

Inspection and objection to council's rating information database

The rating information database for each district is available at the relevant district council and Northland Regional Council. The rating information database for each district can also be found on each district council's website. The website addresses are:

www.fndc.govt.nz

www.wdc.govt.nz

www.kaipara.govt.nz

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

Summary table of rates

The following table illustrates the distribution of the regional rates on the forecast basis for the 2024/25 financial year, with the 2023/24 annual plan regional rates for comparison. The actual and projected apportionment of rates among Northland's districts is as follows, based on the district valuation roll as at 30 June in each year:

District valuation roll

Estimate for 30 June 2024

	Gross Number of RU (Kaipara) or SUIP (others) (gross)	Net Number of RU (Kaipara) or SUIP (others) (net)	Capital Value (CV) (\$'000)	Land Value (LV) (\$'000)	Equalised Capital Value (\$'000)	Equalised Land Value (\$'000)	Equalised Capital Value (%)	Equalised Land Value (%)
Far North District	38,367	37,270	32,897,644	18,485,618	31,485,560	17,731,983	35.92%	36.84%
Kaipara District	15,624	15,021	15,467,999	9,530,826	15,467,999	9,530,826	17.64%	19.80%
Whangārei District	47,744	46,197	40,704,124	20,718,314	40,709,125	20,875,011	46.45%	43.37%
Total Valuation - Northland	101,735	98,488	89,069,768	48,734,758	87,662,684	48,137,819	100%	100%

	Rates 2024/25(including GST)			Rates 2023/24(including GST)		
		Total (gross)	Total (net)		Total (gross)	Total (net)
		(\$)	(\$)		(\$)	(\$)
Targeted Council Services Rate						
Far North (per SUIP)	199.02	7,635,800	7,417,475	159.04	6,017,119	5,855,535
Kaipara (per RU)	242.60	3,790,382	3,644,095	186.25	2,774,939	2,754,451
Whangārei (per SUIP)	209.33	9,994,252	9,670,418	180.61	8,547,188	8,250,807
		21,420,434	20,731,988		17,339,246	16,860,793
Targeted Land and Freshwater Management Rate						
Far North (per \$ of actual LV)	0.0002765	5,111,273	5,000,679	0.0002510	4,658,238	4,622,378
Kaipara (per \$ of actual LV)	0.0002829	2,696,271	2,687,807	0.0003699	2,259,279	2,252,062
Whangārei (per \$ of actual LV)	0.0002868	5,942,012	5,888,486	0.0002802	5,776,936	5,725,827
		13,749,556	13,576,972		12,694,453	12,600,267
Targeted Pest Management Rate						
Far North (per SUIP)	96.70	3,710,089	3,604,009	78.29	2,962,024	2,882,481
Kaipara (per RU)	117.87	1,841,601	1,770,525	91.68	1,365,940	1,355,856
Whangārei (per SUIP)	100.86	4,815,460	4,659,430	88.06	4,167,351	4,022,845
		10,367,150	10,033,964		8,495,315	8,261,182
Targeted Flood Infrastructure Rate						
Far North (per SUIP)	40.67	1,560,386	1,515,771	36.56	1,383,211	1,346,066
Kaipara (per RU)	40.67	635,428	610,904	36.56	544,707	540,686
Whangārei (per SUIP)	40.67	1,941,748	1,878,832	36.56	1,730,165	1,670,170
		4,137,562	4,005,507		3,658,083	3,556,922
Targeted Emergency and Hazard Management Rate						
Far North (per SUIP)	54.71	2,099,059	2,039,042	44.90	1,698,747	1,653,128
Kaipara (per RU)	66.69	1,041,965	1,001,750	52.58	783,389	777,606
Whangārei (per SUIP)	57.07	2,724,749	2,636,463	50.50	2,389,862	2,306,992
		5,865,773	5,677,255		4,871,998	4,737,726
Targeted Regional Sporting Facilities Rate						
Far North (per SUIP)	16.18	620,778	603,029	16.37	619,343	602,711

Kaipara (per RU)	16.18	252,796	243,040	16.37	243,897	242,096
Whangārei (per SUIP)	16.18	772,498	747,467	16.37	774,694	747,831
		1,646,072	1,593,536		1,637,934	1,592,638
Targeted Regional Economic Development Rate						
Far North (per \$ of actual LV)	0.0000238	439,958	430,339	0.0000194	360,039	352,867
Kaipara (per \$ of actual LV)	0.0000244	232,552	231,822	0.0000282	172,240	171,693
Whangārei (per \$ of actual LV)	0.0000247	511,742	507,131	0.0000214	441,208	437,337
		1,184,252	1,169,292		973,487	961,897
Targeted Regional Rescue Services Rate						
Far North (per SUIP)	11.30	433,547	421,151	11.44	432,821	421,198
Kaipara (per RU)	11.30	176,551	169,737	11.44	170,445	169,186
Whangārei (per SUIP)	11.30	539,508	522,026	11.44	541,387	522,614
		1,149,606	1,112,914		1,144,653	1,112,998
Targeted Whangārei Transport Rate						
Rate per SUIP	51.81	2,473,617	2,393,467	43.17	2,042,977	1,972,135
Targeted Far North Transport Rate						
Far North District	8.57	328,805	319,404	8.68	328,399	319,580
Targeted Awanui River Management Rate						
Far North District – Rural		181,679	179,529		175,919	173,892
Far North District – Urban		806,108	793,642		781,542	766,660
		987,787	973,171		957,461	940,552
Targeted Kaihū River Management Rate						
Kaipara District (Kaihū river area only)		79,869	79,869		79,869	79,869
Targeted Kāeo-Whangaroa Rivers Management Rate						
Far North (Kāeo only)		109,139	103,023		124,136	118,043
Targeted Taumārere Rivers Management Rate						
Far North (Otiria-Moerewa/Kawakawa only)		131,181	128,795		115,580	113,278
Targeted Whangārei Urban Rivers Management Rate						
Whangārei district only		1,152,583	1,138,199		1,156,546	1,142,581
TOTAL RATES						
		Gross (\$) *	Net (\$) **		Gross (\$) *	Net (\$) **
Far North District		23,138,644	22,527,561		19,657,118	19,227,817
Kaipara District		10,732,885	10,425,580		8,394,705	8,343,505
Whangārei District		30,829,975	30,004,962		27,568,314	26,799,139
		64,701,504	62,958,103		55,620,137	54,370,461

* Amount inclusive of GST

** Amount net of remissions and inclusive of GST

For more details on the different types of rates, see Types of rates.

How much will my rates be?

Presented on the next pages are some example rates for properties in each of Northland's three districts. The tables show the total rates that would apply to different groups of ratepayers under this long term plan.

Note that the rates detailed in this plan are worked out using estimated land or capital values (where applicable) – actual rates will be set using district valuation rolls as at 30 June 2024, so they may differ slightly.

Ratepayers in the Far North district

Far North district ratepayers will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
2. A targeted Land and Freshwater Management rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, fixed Flood Infrastructure Rate assessed on each separately used or inhabited part of the rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit; and
7. A targeted, fixed Far North Transport Rate assessed on each separately used or inhabited part of the rating unit.
 8. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
 9. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Far North			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002765	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000238	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential / Commercial / Other			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	250,000	69.12	56.47
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		5.95	4.36
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Total Regional Rates		502.22	416.13
Farm Property			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	2,750,000	760.38	690.25
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		65.45	53.35
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Total Regional Rates		1,252.98	1,098.88

Far North district ratepayers in the Awanui River Management Rate area will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
2. A targeted Land and Freshwater Management Rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, fixed Flood Infrastructure Rate assessed on each separately used or inhabited part of the rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit;
7. A targeted, fixed Far North Transport Rate assessed on each separately used or inhabited part of the rating unit; and
8. A targeted Awanui River Management Rate, classes UA/UF, A, B, C, E and F differentiated by location and area of benefit as defined in the Awanui River flood management scheme.
9. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
10. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Far North District - Awanui Catchment			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002765	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000238	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential & Commercial Urban			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	250,000	69.12	56.47
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		5.95	4.36
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Plus Awanui river management rates applicable to:			
- Urban rate class UA (floodplain location)		294.61	288.33
- Urban rate classes UF (higher ground)		53.41	51.66
- Commercial Urban UA		883.83	864.99
Lifestyle Property - 10 hectares			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	750,000	207.38	112.95
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		17.85	8.73
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Plus Awanui River Management Rates applicable to:			
- Rural Commercial A & B		682.96	665.87
- Rural Class A & B		234.96	229.07
- Rural Class C		114.16	110.47
- Rural Class E		10.96	10.67
- Rural Class F		18.16	17.77
Farm Property - 100 hectares			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	2,750,000	760.38	690.25
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		65.45	53.35
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Plus Awanui River Management Rates applicable to:			
- Rural Commercial A & B		6,730.96	6,562.67
- Rural Class A & B		2,250.96	2,194.67
- Rural Class C		1,042.96	1,008.67
- Rural Class E		10.96	10.67

1. Commercial properties for the Awanui River Management Rate are subject to the 3:1 commercial differential: on \$294.61 for urban commercial class UA equating to \$883.83; on \$53.41 for urban commercial class UF equating to \$160.23; on \$22.40 per hectare for rural commercial class A/B equating to \$67.20; on \$10.32 per hectare for rural commercial class C equating to \$30.96; and on \$0.72 per hectare for rural commercial class F equating to \$2.16.

The rural rate also includes a single rate of \$10.96 to reflect the indirect benefit. 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).

Far North district ratepayers in the Kāeo-Whangaroa Rivers Management Rate area will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
2. A targeted Land and Freshwater Management Rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate , differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, fixed Flood Infrastructure Rate assessed on each separately used or inhabited part of the rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit;
7. A targeted, fixed Far North Transport Rate assessed on each separately used or inhabited part of the rating unit; and
8. A targeted Kāeo-Whangaroa Rivers Management Rate set on a uniform basis in respect of each separately used or inhabited part of a rating unit for properties falling within the former Whangaroa ward (rating rolls 100-199)
9. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
10. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Far North – Kāeo-Whangaroa			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002765	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000238	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential / Commercial / Other			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	250,000	69.12	56.48
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		5.95	4.36
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Targeted Kāeo-Whangaroa Rivers Management Rate		47.78	55.39
Total Regional Rates		550.00	471.50
Farm Property			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	2,750,000	760.38	690.25
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		65.45	53.35
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Targeted Kāeo-Whangaroa Rivers Management Rate		47.78	55.39
Total Regional Rates		1,300.76	1,154.27

Far North district ratepayers in the Taumārere Rivers Management Rate area will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
2. A targeted Land and Freshwater Management Rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, fixed Flood Infrastructure Rate assessed on each separately used or inhabited part of the rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit;
7. A targeted, fixed Far North Transport Rate assessed on each separately used or inhabited part of the rating unit; and
8. A targeted Taumārere Rivers Management Rate set on a uniform basis in respect of each separately used or inhabited part of a rating unit for properties indicated in the area of benefit as defined in the Taumārere River flood management scheme.
9. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
10. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Far North - Taumārere			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002765	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000238	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential / Commercial / Other			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	250,000	69.12	56.47
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		5.95	4.36
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Targeted Taumārere Rivers Management Rate		68.04	60.64
Total Regional Rates		570.26	476.76
Farm Property			
Targeted Council Services Rate		199.02	159.04
Targeted Land and Freshwater Management Rate	2,750,000	760.38	690.25
Targeted Pest Management Rate		96.70	78.29
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		54.71	44.90
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		65.45	53.35
Targeted Regional Rescue Services Rate		11.30	11.44
Targeted Far North Transport Rate		8.57	8.68
Targeted Taumārere Rivers Management Rate		68.04	60.64
Total Regional Rates		1,321.02	1,159.52

Ratepayers in the Kaipara district

Kaipara district ratepayers will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each rating unit;
2. A targeted Land and Freshwater Management Rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each rating unit;
4. A targeted, fixed Flood Infrastructure Rate assessed on each rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit; and
7. A targeted Kaihū River Management Rate, based on land area, and differentiated by location and area of benefit as defined in the Kaihū River management scheme.
8. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
9. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Kaipara Urban / Rural			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002829	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000244	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential Property			
Targeted Council Services Rate		242.60	186.25
Targeted Land and Freshwater Management Rate	325,000	91.94	83.23
Targeted Pest Management Rate		117.87	91.68
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		66.69	52.58
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		7.93	6.35
Targeted Regional Rescue Services Rate		11.30	11.44
Total Regional Rates		595.18	484.45
Farm Property			
Targeted Council Services Rate		242.60	186.25
Targeted Land and Freshwater Management Rate	2,070,000	585.60	1,017.22
Targeted Pest Management Rate		117.87	91.68
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		66.69	52.58
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		50.51	77.55
Targeted Regional Rescue Services Rate		11.30	11.44
Total Regional Rates		1,131.42	1,489.65
Additional for Properties in the Kaihū River Catchment			
GST Inclusive	Land Value	2024/25	2023/24
	(\$)	Rates	Rates
10 hectares	Class A	231.30	231.30
	Class B	113.90	113.90
	Class F	16.00	16.00
100 hectares	Class A	2,313.00	2,313.00
	Class B	1,139.00	1,139.00
	Class F	160.00	160.00

Ratepayers in the Whangārei district

Whangārei district ratepayers will be assessed:

1. A targeted Council Services Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June, with an additional charge of \$1.73 per separately used or inhabited part of a rating unit to fund the maintenance of the Hātea Channel;
2. A targeted Land and freshwater Management Rate assessed on the land value of each rateable rating unit;
3. A targeted Pest Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, fixed Flood Infrastructure Rate, assessed on each separately used or inhabited part of the rating unit;
5. A targeted Emergency and Hazard Management Rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June and assessed on each separately used or inhabited part of the rating unit;
6. A targeted Regional Economic Development Rate assessed on the land value of each rateable rating unit;
7. A targeted, fixed Whangārei Transport Rate assessed on each separately used or inhabited part of the rating unit; and
8. A targeted Whangārei Urban Rivers Management Rate differentiated by location and category and set as a fixed amount per each separately used or inhabited part of a rating unit.
9. A targeted, fixed Regional Sporting Facilities Rate assessed on each separately used or inhabited part of the rating unit;
10. A targeted, Regional Rescue Services Rate assessed on each separately used or inhabited part of the rating unit;

Whangārei Urban / Rural / Other			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002868	Land Value	2024/25	2023/24
Regional Economic Development Rate = LV rate in the \$ = 0.0000247	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
Residential Property (non CBD)			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	400,000	114.72	63.04
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		9.88	4.81
Targeted Whangārei Transport Rate		51.81	43.17
Targeted Regional Rescue Services Rate		11.30	11.44
Total Regional Rates		611.82	494.57
Residential Property (in CBD area)			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	400,000	114.72	63.04
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		9.88	4.81
Targeted Whangārei Transport Rate		51.81	43.17
Targeted Regional Rescue Services Rate		11.30	11.44
Whangārei River Management Rate - CBD Residential		169.33	176.43
Total Regional Rates		781.15	671.00
Residential Property (in stormwater catchment area)			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	400,000	114.72	63.04
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		9.88	4.81
Targeted Whangārei Transport Rate		51.81	43.17
Targeted Regional Rescue Services Rate		11.30	11.44
Whangārei River Management Rate - General Catchment		40.78	41.42
Total Regional Rates		652.60	535.99
Farm Property			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	3,250,000	932.09	770.55
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		80.28	58.85
Targeted Whangārei Transport Rate		51.81	43.17

Targeted Regional Rescue Services Rate		11.30	11.44
Total Regional Rates		1,499.58	1,256.11
Commercial Property (non CBD)			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	3,750,000	1,075.50	560.40
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		92.62	42.80
Targeted Whangārei Transport Rate		51.81	43.17
Targeted Regional Rescue Services Rate		11.30	11.44
Total Regional Rates		1,655.34	1,029.91
Commercial Property (in CBD area)			
Targeted Council Services Rate		209.33	180.61
Targeted Land and Freshwater Management Rate	3,750,000	1,075.50	560.40
Targeted Pest Management Rate		100.86	88.06
Targeted Flood Infrastructure Rate		40.67	36.56
Targeted Emergency and Hazard Management Rate		57.07	50.50
Targeted Regional Sporting Facilities Rate		16.18	16.37
Targeted Regional Economic Development Rate		92.62	42.80
Targeted Whangārei Transport Rate		51.81	43.17
Targeted Regional Rescue Services Rate		11.30	11.44
Whangārei River Management Rate - CBD Commercial		341.08	338.46
Total Regional Rates		1,996.42	1,368.37

Rating base information

The table below sets out the projected number of council rating units (Kaipara district) and separately used or inhabited parts of a rating unit (Whangārei and Far North districts) during the 10 years of this plan.

	2023-24	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	Annual Plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Far North District Council	36,818	37,270	37,456	37,644	37,832	38,021	38,211	38,402	38,594	38,787	38,981
Kaipara District Council	14,789	15,021	15,096	15,172	15,247	15,324	15,400	15,477	15,555	15,632	15,711
Whangarei District Council	45,683	46,197	46,428	46,660	46,893	47,128	47,364	47,600	47,838	48,078	48,318
TOTAL Rating Units	97,290	98,488	98,980	99,476	99,972	100,473	100,975	101,479	101,987	102,497	103,010

Ngā mahere pūtea

Finances



Prospective financial statements

Prospective statement of comprehensive revenue and expense

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
Periods ending 30 June	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
REVENUE						
Rates	47,280	54,815	57,988	60,332	62,774	63,642
Fees and Charges	6,887	6,342	6,601	6,794	7,036	7,182
Subsidies and Grants	10,791	19,335	7,061	6,782	6,324	6,369
Interest Revenue	433	184	572	572	572	572
Other Revenue	8,082	7,320	7,315	7,805	9,694	10,729
Other Gains	3,490	7,464	7,083	6,980	7,141	7,454
TOTAL REVENUE	76,963	95,461	86,618	89,265	93,540	95,947
EXPENSES						
Personnel Costs	29,646	33,545	34,595	35,484	34,329	35,356
Depreciation and Amortisation Expense	2,235	2,498	2,629	2,814	2,999	3,231
Finance Costs	1,151	1,672	1,895	2,080	2,199	2,284
Other Losses	-	-	-	-	-	-
Other Expenditure on Activities	43,897	46,333	42,805	44,998	47,441	47,026
TOTAL OPERATING EXPENDITURE	76,929	84,048	81,924	85,376	86,967	87,898
SURPLUS/(DEFICIT) BEFORE TAX	34	11,413	4,695	3,889	6,573	8,049
INCOME TAX CREDIT/(EXPENSE)	-	-	-	-	-	-
SURPLUS/(DEFICIT) AFTER TAX	34	11,413	4,695	3,889	6,573	8,049
SURPLUS/(DEFICIT) ATTRIBUTABLE TO:						
Northland Regional Council	34	11,413	4,695	3,889	6,573	8,049
Non-Controlling Interest	-	-	-	-	-	-
OTHER COMPREHENSIVE REVENUE AND EXPENSE						
<i>Items that will be reclassified to surplus/(deficit)</i>						
Financial Assets at fair value through other comprehensive revenue and expense	-	-	-	-	-	-
<i>Items that will not be reclassified to surplus/(deficit)</i>	-	-	-	-	-	-
Gains/(loss) on Property Revaluations	-	-	-	-	-	-
Gains/(loss) on Infrastructure Asset revaluations	-	-	1,057	-	-	4,466
TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE	-	-	1,057	-	-	4,466
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	34	11,413	5,752	3,889	6,573	12,515

Year 6 2029/30 \$(000)	Year 7 2030/31 \$(000)	Year 8 2031/32 \$(000)	Year 9 2032/33 \$(000)	Year 10 2033/34 \$(000)	periods ending 30 June
REVENUE					
65,078	66,426	68,207	69,263	69,934	Rates
7,376	7,632	7,789	7,994	8,266	Fees and Charges
6,414	6,457	6,502	6,496	6,541	Subsidies and Grants
572	572	572	572	572	Interest Revenue
8,379	11,506	14,673	8,652	14,296	Other Revenue
7,820	8,128	8,549	9,058	9,671	Other Gains
95,638	100,721	106,292	102,036	109,280	TOTAL REVENUE
EXPENSES					
36,416	37,506	38,629	39,786	40,978	Personnel Costs
3,465	3,684	3,904	4,155	4,392	Depreciation and Amortisation Expense
2,374	2,471	2,555	2,620	2,162	Finance Costs
-	-	-	-	-	Other Losses
46,262	48,340	51,009	48,611	50,972	Other Expenditure on Activities
88,517	92,001	96,098	95,172	98,505	TOTAL OPERATING EXPENDITURE
7,121	8,720	10,194	6,864	10,775	SURPLUS/(DEFICIT) BEFORE TAX
-	-	-	-	-	- INCOME TAX CREDIT/(EXPENSE)
7,121	8,720	10,194	6,864	10,775	SURPLUS/(DEFICIT) AFTER TAX
SURPLUS/(DEFICIT) ATTRIBUTABLE TO:					
7,121	8,720	10,194	6,864	10,775	Northland Regional Council
-	-	-	-	-	- Non-Controlling Interest
OTHER COMPREHENSIVE REVENUE AND EXPENSE					
Items that will be reclassified to surplus/(deficit)					
-	-	-	-	-	- Financial Assets at fair value through other comprehensive revenue and expense
-	-	-	-	-	- Items that will not be reclassified to surplus/(deficit)
-	-	-	-	-	- Gains/(loss) on Property Revaluations
-	-	7,554	-	-	- Gains/(loss) on Infrastructure Asset revaluations
-	-	7,554	-	-	TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE
7,121	8,720	17,748	6,864	10,775	TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR

Section 100 of the Local Government Act 2002 states that a local authority must set revenues at a level sufficient to meet that year's operating costs. Exceptions are permitted under s100(2).

The table below demonstrates the calculations used to determine a balanced budget. Any result zero or greater demonstrates a balanced budget that meets s100(1).

Periods ending 30 June	Annual Plan 2023/24 \$(000)	Year 1 2024/25 \$(000)	Year 2 2025/26 \$(000)	Year 3 2026/27 \$(000)	Year 4 2027/28 \$(000)	Year 5 2028/29 \$(000)
GAAP surplus / (deficit) as above	34	11,413	5,752	3,889	6,573	12,515
Transfers to Reserves	(8,522)	(20,418)	(13,882)	(13,493)	(15,081)	(16,252)
Transfers from Reserves	8,556	11,358	11,615	12,125	11,127	10,799
Property and Infrastructure Revaluations	-	(2,304)	(3,420)	(2,422)	(2,484)	(7,012)
Balanced budget surplus / (deficit)	68	49	65	99	135	50

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	periods ending 30 June
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
7,121	8,720	17,748	6,864	10,775	GAAP surplus / (deficit) as above
(13,856)	(16,911)	(20,206)	(13,756)	(18,512)	Transfers to Reserves
9,402	10,934	12,810	9,758	10,772	Transfers from Reserves
(2,611)	(2,677)	(10,298)	(2,814)	(2,885)	Property and Infrastructure Revaluations
56	66	54	52	150	Balanced budget surplus / (deficit)

Prospective statement of financial position

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
periods ending 30 June	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
ASSETS						
Current Assets						
Cash and Cash Equivalents	986	2,888	3,425	3,383	3,624	4,295
Other Financial Assets	13,741	12,926	7,444	8,058	7,774	6,992
Receivables	7,594	9,618	9,230	12,182	12,419	14,006
Inventory	270	276	276	276	276	276
Assets Held for Sale	-	-	-	-	-	-
Total Current Assets	22,591	25,708	20,375	23,899	24,093	25,569
Non Current Assets						
Receivables	-	786	756	724	693	661
Other Financial Assets	56,019	66,039	71,106	70,974	72,182	77,937
Infrastructure, Property, Plant and Equipment	78,075	90,223	91,509	91,476	90,847	94,292
Investment Property	90,064	96,632	103,750	106,172	108,656	111,202
Intangible Assets	1,149	641	523	397	263	117
Forestry Assets	4,242	4,242	4,242	4,242	4,242	4,242
Investment in Subsidiaries (excl council controlled organisations) and Joint Venture company	7,828	7,937	7,937	7,937	7,937	7,937
Investment in Council Controlled Organisations	282	282	282	282	282	282
Total Non Current Assets	237,659	266,782	280,105	282,204	285,102	296,670
TOTAL ASSETS	260,250	292,490	300,480	306,103	309,195	322,239
LIABILITIES						
Current Liabilities						
Payables	9,995	9,064	9,719	9,632	9,658	9,568
Employee Entitlements	3,072	3,307	3,506	3,516	3,522	3,528
Total Current Liabilities	13,067	12,371	13,225	13,148	13,180	13,095
Non Current Liabilities						
Payables and Deferred Revenue	610	610	610	610	610	610
Borrowings and Other Financial Liabilities	25,718	31,728	33,111	34,922	31,409	32,023
Employee Entitlements	21	22	23	23	23	23
Total Non Current Liabilities	26,349	32,360	33,744	35,555	32,041	32,656
TOTAL LIABILITIES	39,416	44,731	46,969	48,703	45,222	45,751
NET ASSETS	220,834	247,759	253,511	257,400	263,973	276,488
Equity						
Accumulated Funds	180,934	202,793	217,497	221,109	224,428	227,261
Revaluation Reserves	7,699	9,212	10,269	10,269	10,269	14,735
Other Reserves	32,201	35,754	25,745	26,022	29,276	34,492
	220,834	247,759	253,511	257,400	263,973	276,488
Non-controlling interests in subsidiary companies	-	-	-	-	-	-
TOTAL EQUITY	220,834	247,759	253,511	257,400	263,973	276,488

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	periods ending 30 June
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
					ASSETS
					Current Assets
4,553	4,828	5,045	4,203	4,698	Cash and Cash Equivalents
5,311	7,028	10,050	6,876	9,701	Other Financial Assets
15,777	17,374	19,072	19,708	20,262	Receivables
276	276	276	276	276	Inventory
-	-	8,580	-	-	Assets Held for Sale
25,917	29,506	43,024	31,063	34,937	Total Current Assets
					Non Current Assets
630	598	567	535	504	Receivables
83,825	88,657	93,564	98,712	105,724	Other Financial Assets
92,860	90,734	95,883	93,259	90,374	Infrastructure, Property, Plant and Equipment
113,813	116,491	110,655	113,469	116,354	Investment Property
0	0	0	0	0	Intangible Assets
4,242	4,242	4,242	4,242	4,242	Forestry Assets
7,937	7,937	7,937	7,937	7,937	Investment in Subsidiaries (excl council controlled organisations) and Joint Venture company
282	282	282	282	282	Investment in Council Controlled Organisations
303,589	308,941	313,130	318,436	325,418	Total Non Current Assets
329,505	338,447	356,154	349,499	360,355	TOTAL ASSETS
					LIABILITIES
					Current Liabilities
9,344	9,390	9,343	9,775	9,850	Payables
3,535	3,542	3,548	3,556	3,564	Employee Entitlements
12,879	12,932	12,892	13,331	13,414	Total Current Liabilities
					Non Current Liabilities
610	610	610	610	610	Payables and Deferred Revenue
32,384	32,553	32,553	18,596	18,595	Borrowings and Other Financial Liabilities
23	24	24	24	24	Employee Entitlements
33,017	33,187	33,187	19,230	19,229	Total Non Current Liabilities
45,896	46,119	46,079	32,561	32,643	TOTAL LIABILITIES
283,609	292,328	310,075	316,938	327,712	NET ASSETS
					Equity
229,924	232,540	234,972	228,934	231,073	Accumulated Funds
14,735	14,735	22,289	22,289	22,289	Revaluation Reserves
38,950	45,053	52,814	65,715	74,350	Other Reserves
283,609	292,328	310,075	316,938	327,712	Total Equity
-	-	-	-	-	Non-controlling interests in subsidiary companies
283,609	292,328	310,075	316,938	327,712	TOTAL EQUITY

Prospective statement of changes in equity

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
BALANCE at 1 July	220,800	236,346	247,759	253,511	257,400	263,973
Total Comprehensive Revenue and Expense	34	11,413	5,752	3,889	6,573	12,515
BALANCE at 30 June	220,834	247,759	253,511	257,400	263,973	276,488
Total Comprehensive Revenue and Expense Attributable to:						
Northland Regional Council	34	11,413	5,752	3,889	6,573	12,515
Non-controlling interests	-	-	-	-	-	-
TOTAL at 30 June	220,834	247,759	253,511	257,400	263,973	276,488

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
276,488	283,609	292,328	310,075	316,938	BALANCE at 1 July
7,121	8,720	17,748	6,864	10,775	Total Comprehensive Revenue and Expense
283,609	292,328	310,075	316,938	327,712	BALANCE at 30 June
					Total Comprehensive Revenue and Expense Attributable to:
7,121	8,720	17,748	6,864	10,775	Northland Regional Council
-	-	-	-	-	Non-controlling interests
283,609	292,328	310,075	316,938	327,712	TOTAL at 30 June

Prospective statement of cashflows

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
for the year ending 30 June	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Cash Flows from Operating Activities						
Receipts from rates revenue	45,566	54,079	57,060	59,366	61,771	62,627
Receipts from customers	13,545	12,678	12,438	10,448	15,631	15,601
Subsidies and grants received	11,695	21,765	8,120	7,799	7,272	7,325
GST received	4,152	5,563	7,633	7,371	7,652	7,772
Interest received	394	184	572	572	572	572
Other revenue received	3,542	2,989	2,989	2,989	2,989	2,989
Staff and suppliers	(79,381)	(89,446)	(85,646)	(89,122)	(90,871)	(91,774)
Other payments - operating	(471)	(4,328)	248	(628)	(554)	(637)
Interest paid	(1,151)	(1,672)	(1,895)	(2,080)	(2,199)	(2,284)
Net Cash Provided (or Used) in Operating Activities	(2,109)	1,814	1,518	(3,285)	2,263	2,189
Cash Flows from Investing Activities						
Sale of infrastructure, property, plant and equipment	0	0	0	0	0	0
Sale of Investment Property	0	0	0	0	0	0
Other receipts - sale of investments	14,791	11,767	7,390	6,260	6,478	2,639
Purchase of Investment	(2,694)	(2,919)	(2,260)	(2,174)	(2,748)	(2,707)
Purchase of Investment Property	(5,519)	(4,450)	(4,755)	0	0	0
Purchase of infrastructure, property, plant and equipment	(9,445)	(13,868)	(2,738)	(2,655)	(2,236)	(2,065)
Net Cash Provided (or Used) in Investing Activities	(2,867)	(9,470)	(2,364)	1,431	1,493	(2,133)
Cash Flows from Financing Activities						
Other receipts - financing	7,359	5,848	1,383	1,812	885	615
Other payments - financing	0	0	0	0	(4,400)	0
Net Cash Provided (or Used) in Financing Activities	7,359	5,848	1,383	1,812	(3,515)	615
Net Increase/(Decrease) in Cash & Cash Equivalents	2,383	(1,808)	537	(42)	241	671
Cash and Cash Equivalents at beginning of period	(1,397)	4,696	2,888	3,425	3,383	3,624
Cash and Cash Equivalents at end of period	986	2,888	3,425	3,383	3,624	4,295

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	for the year ending 30 June
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Cash Flows from Operating Activities					
64,050	65,376	67,133	68,319	68,981	Receipts from rates revenue
12,931	17,030	20,757	15,071	22,010	Receipts from customers
7,376	7,426	7,477	7,470	7,522	Subsidies and grants received
7,999	8,078	8,236	8,549	8,481	GST received
572	572	572	572	572	Interest received
2,989	2,989	2,989	2,989	2,989	Other revenue received
(91,957)	(95,680)	(100,073)	(98,475)	(102,715)	Staff and suppliers
(775)	(557)	(695)	(82)	(625)	Other payments - operating
(2,374)	(2,471)	(2,555)	(2,620)	(2,162)	Interest paid
811	2,763	3,840	1,793	5,051	Net Cash Provided (or Used) in Operating Activities
Cash Flows from Investing Activities					
0	0	0	0	0	Sale of infrastructure, property, plant and equipment
0	0	0	8,580	0	Sale of Investment Property
3,641	1,477	374	15,273	(1,585)	Other receipts - sale of investments
(2,639)	(2,577)	(2,497)	(11,000)	(1,464)	Purchase of Investment
0	0	0	0	0	Purchase of Investment Property
(1,915)	(1,558)	(1,500)	(1,531)	(1,507)	Purchase of infrastructure, property, plant and equipment
(913)	(2,658)	(3,623)	11,323	(4,556)	Net Cash Provided (or Used) in Investing Activities
Cash Flows from Financing Activities					
360	170	0	0	0	Other receipts - financing
0	0	0	(13,958)	0	Other payments - financing
360	170	0	(13,958)	0	Net Cash Provided (or Used) in Financing Activities
258	275	217	(842)	495	Net Increase/(Decrease) in Cash & Cash Equivalents
4,295	4,553	4,828	5,045	4,203	Cash and Cash Equivalents at beginning of period
4,553	4,828	5,045	4,203	4,698	Cash and Cash Equivalents at end of period

Significant forecasting assumptions

The financial forecasts within this Long Term Plan are based on a range of assumptions about our future situation, in particular assumptions that affect our revenue and expenditure levels. Schedule 10 of the Local Government Act 2002 requires that the council identify the significant forecasting assumptions and risks underlying the financial information set out in the Long Term Plan. Where there is a high level of uncertainty, council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects that uncertainty has on the financial estimates provided. The level of uncertainty is determined by reference to both the likelihood of occurrence and the financial materiality.

Each year council reviews its position and has the opportunity to revise the intentions signalled in the 2024-2034 Long Term Plan. An annual plan may be prepared for the 2025/26 financial year if required and for the 2026/27 year, with a Long Term Plan being prepared every third financial year. Where revised prospective financial statements are issued, council must provide an explanation of the changes made to the prospective financial statements in the Long Term Plan and include a reconciliation of all material differences between the previously reported prospective financial statements and the revised financial statements. The projections for individual years will be reviewed annually if required through a special consultative procedure, in accordance with the Local Government Act 2002.

The financial forecast information disclosed is future focused for the purposes of the Financial Reporting Standard FRS-42: Prospective Financial Statements and accordingly, there are a number of budget assumptions that, at the time of preparing the forecast information, the council reasonably expects to occur. These assumptions are necessary, as the Long Term Plan covers a 10-year period and to ensure that there is a consistent and justifiable basis for the preparation of the financial forecasts.

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

The council has assumed that the actual results for the 2023/24 financial year are largely in accordance with the 2023/24 Annual Plan. Certain events have occurred that

are not directly aligned with forecasts made in the 2023/24 Annual Plan, and the financial results have been adjusted accordingly.

The council has a reasonable and supportable basis for the determination of assumptions underlying these prospective financial statements. The realisation of assumptions may have a direct impact on resulting rates and funding requirements. The information in these financial statements may not be appropriate for purposes other than those described.

The prospective financial statements will be authorised for issue in June 2024 by council resolution. The council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

The significant forecasting assumptions used in developing the financial forecasts in the Long Term Plan are detailed in the table overleaf.

General assumptions

Assumption	Risk	Likelihood and impact	Risk Score
Economy and population			
<p>Gross Domestic Product</p> <p>Over the five-year period 2017-2022 real GDP in Northland increased by 2.7% per annum on average, the same as the national average growth rate. However, there was considerable annual fluctuations during this period. Due to COVID-19, economic activity in Northland contracted by -0.7% in the year ended June 2020 (compared to -0.5% nationally). The economy bounced back strongly in 2020/21, growing by 8.1% (6.1% nationally) before falling by -0.3% in 2021/22 (1.2% nationally). Economic activity is forecast to have grown by just 0.1% in 2022/23 (3.2% nationally) due to the closure of refining activity at Marsden Point, and by 1% in 2023/24 due to the dampening effects of inflation and higher interest rates.</p> <p>Economic activity is assumed to remain subdued in the first year of the LTP, growing by 2% in 2024/25. For the remaining nine years of the LTP an average of 3% is assumed, being the average annual rate of growth in Northland for the ten-year period 2012-2022.</p> <p>Sources: Infometrics Quarterly Economic Monitor data and NZ Treasury Pre-election Economic and Fiscal Update 2023.</p>	The economic recovery is slower than expected.	<p>Likelihood: Medium</p> <p>Impact: Moderate</p> <p>A slower than expected economic growth rate will not have a direct impact on council's operating budget but would impact it indirectly through a variety of channels. For example, it may reduce the returns on council investments (externally managed funds, dividends and investment property) and exacerbate affordability issues resulting in a decrease in rates collection. A 1% reduction in rating revenue (\$548,152) in 2024/25 is equivalent to 0.6% of the total operating budget.</p>	3
<p>Population</p> <p>Over the five-year period 2018-2023 the estimated resident population of Northland grew by an average of 1.9% per annum. This is higher than the 1.2% average annual increase in the national population. It is the same as the high growth scenario projected by Stats NZ in March 2021 based on the 2018 Census results (medium growth projection was 1.4%).</p> <p>It is forecast that the Northland population will increase by 1% per annum over the ten years 2024-2034 using the mid-point of the high and medium growth scenarios projected by Infometrics (1.2% and 0.8% respectively). This is slightly below the projected 1.1% per annum national increase.</p> <p>It is assumed that this will lead to a similar increase in separately used or inhabited parts of a property (SUIPs) and rating units. This equates to an increase of 985 SUIPs/rating units per year. Population growth is generally in the older age groups (e.g. 65+). These people are more likely to want to age in place (at home) and retire on low fixed incomes (predominantly reliant on superannuation in their later years).</p> <p>Sources: Statistics New Zealand, Subnational population estimates and Subnational population projections, 2018 (base) – 2048 (released 31 March 2021); Infometrics Population Projections</p>	Population growth will be significantly different from projected.	<p>Likelihood: Medium low</p> <p>Impact: Minor</p> <p>A lower (higher) rate of population growth will result in a higher (lower) average rate per SUIP/rating unit for a constant level of rating revenue required. The average rate per SUIP/rating unit for 2024/25 is \$556.57 (excl GST).</p> <p>Short-term population changes have very little impact on regional council services. Existing resources have generally coped with service demands without major adjustments.</p> <p>The challenges of an aging population are largely borne by the district councils of Northland (pressures on infrastructure, matching services to demand etc.). However, there is some impact on regional council services. For example, a higher number of older people ageing in place (at home) will create demand for public transport/mobility to be available to access services and amenities.</p>	1

Council business

Resource consents

The conditions for existing resource consents held by council will not be significantly altered. Any resource consent due for renewal during the year will be renewed accordingly.

Conditions of resource consents are altered significantly or council is unable to renew existing resource consents upon expiry.

Likelihood: Low

Impact: Moderate

The effect of any change to resource consent requirements would depend upon the extent of the change. A significant change in requirements could result in the council needing to spend additional funds to enable compliance. Generally, the council considers that it is fully compliant with existing resource consents and does not contemplate any material departure from these requirements.

1

Legislation and policy change

No significant change to council business dictated by as-yet unknown/unconfirmed legislation or central government policy change.

Changes to legislation and policy significantly alter operations and activities carried out by council. The new National-led coalition government repealed the Natural and Built Environment Act and Spatial Planning Act in December 2023. They have also indicated that they will in the future first amend the Resource Management Act (RMA) 1991 to make it easier to consent new infrastructure, and then replace the RMA with new resource management laws based on the enjoyment of property rights

Likelihood: Medium

Impact: Major

The final effect of any change to council's business would depend upon the extent of the change. A significant change could result in the council altering its activities or spending additional funds to enable compliance.

3

Ability to deliver on planned capital projects

Council can procure contractors to carry out its planned capital works in accordance with the scheduled programme.

Ability to procure contractors is constrained by strong market demand from other councils undertaking similar capital works.

Likelihood: Low

Impact: Severe

While the impact would be significant, the likelihood is low as the capital works programme is well managed within council, the programme of works is well known to external contractors, and most are underway.

2

Climate change

Emissions Trading Scheme (ETS)

Any indirect impacts of the ETS through price increases being passed on to council are assumed to be covered by council's inflation assumptions.

The direct impact of the ETS is that council will be required to replant its forestry holdings after any harvest. The council's forestry management plan prescribes this approach. The council has received ETS credits to financially compensate for this requirement.

Changes in government legislation result in charges greater than the budgeted expenditure.

Likelihood: Low

Impact: Minor

Any annual changes to the ETS will not have a material effect on the overall financial forecasts in this plan.

1

Climate change impacts

The impacts of climate change (e.g. temperature and rainfall) will occur in line with the Ministry for the Environment's climate change predictions, which are based on recommendations from the International Panel on Climate Change (IPCC).

Climate change impacts coming earlier than expected – creating issues regarding civil defence, coastal structures, etc.

Likelihood: Low

Impact: Severe

Variations to long-term budget forecasts and levels of service will be required, and will be addressed by future Long Term Plans.

2

Natural disasters

Budget provision will be adequate to address costs arising from natural disasters. The council holds insurance for its assets, including the Awanui River flood management scheme.

Natural or other hazard emergencies require work that cannot be funded out of normal budgetary provisions.

Likelihood: Medium low

Impact: Major

The council's financial position is strong enough to cover short-term funding requirements that may be required in the event of damage caused from natural disasters. The council may need to consult with the community retrospectively to repay any expense incurred.

3

Financial assumptions

Assumption	Risk	Likelihood and impact	Risk score																																								
Inflation																																											
Opex and capex <p>The BERL legacy forecast opex price adjustor has been applied to all operational expenditure items subject to inflation except for salaries (see following assumption).</p> <p>The BERL legacy forecast capex price adjustor has been applied to capital expenditure items subject to inflation.</p> <p>The legacy forecast price adjusters for both the opex and capex forecast an annual average inflation rate of 2.2% over the 10-year period of the LTP.</p> <p>The legacy forecasts are consistent with Treasury and the Reserve Bank of New Zealand (RBNZ) forecasts, and include BERL's adjustment for the historic record of time taken to recover from previous economic crises.</p> <p>Source: BERL "Local Government Cost Adjustor Forecasts:", 2023</p> <p>The BERL opex price adjustor forecasts have been applied to all the operational expenditure items subject to inflation, with the exception of salaries, as follows:</p> <table> <tr> <td>Year 1</td><td>2.9%</td><td>Year 6</td><td>2.1%</td></tr> <tr> <td>Year 2</td><td>2.2%</td><td>Year 7</td><td>2.0%</td></tr> <tr> <td>Year 3</td><td>2.3%</td><td>Year 8</td><td>2.0%</td></tr> <tr> <td>Year 4</td><td>2.3%</td><td>Year 9</td><td>1.9%</td></tr> <tr> <td>Year 5</td><td>2.2%</td><td>Year 10</td><td>1.9%</td></tr> </table> <p>The BERL capex price adjustor forecasts have been applied to capital expenditure items as follows:</p> <table> <tr> <td>Year 1</td><td>3.0%</td><td>Year 6</td><td>2.1%</td></tr> <tr> <td>Year 2</td><td>2.2%</td><td>Year 7</td><td>2.1%</td></tr> <tr> <td>Year 3</td><td>2.4%</td><td>Year 8</td><td>2.0%</td></tr> <tr> <td>Year 4</td><td>2.3%</td><td>Year 9</td><td>2.0%</td></tr> <tr> <td>Year 5</td><td>2.2%</td><td>Year 10</td><td>1.9%</td></tr> </table>	Year 1	2.9%	Year 6	2.1%	Year 2	2.2%	Year 7	2.0%	Year 3	2.3%	Year 8	2.0%	Year 4	2.3%	Year 9	1.9%	Year 5	2.2%	Year 10	1.9%	Year 1	3.0%	Year 6	2.1%	Year 2	2.2%	Year 7	2.1%	Year 3	2.4%	Year 8	2.0%	Year 4	2.3%	Year 9	2.0%	Year 5	2.2%	Year 10	1.9%	<p>The actual rate of inflation varies from the assumed rate of inflation. In line with the RBNZ scenario, the risks to the assumption are mostly on the downside, i.e. that inflation will be lower than forecast.</p>	<p>Likelihood: Low</p> <p>Impact: Moderate</p> <p>Inflation is affected by external factors, all of which are outside of council's control and influence. Actual individual indices will at times vary from what has been assumed in this plan. The council has relied on the Reserve Bank's use of monetary controls to keep inflation within the 1-3% range.</p> <p>A 1% increase in the inflation rate over and above the BERL rates will increase council's total operating expenditure by \$450,267 in 2024/25.</p> <p>Should operating expenditure increase, and council is not able to achieve savings to offset the increase, it is likely there will be a proportional impact on council's funding and expenditure in the following year.</p>	1
Year 1	2.9%	Year 6	2.1%																																								
Year 2	2.2%	Year 7	2.0%																																								
Year 3	2.3%	Year 8	2.0%																																								
Year 4	2.3%	Year 9	1.9%																																								
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Year 2	2.2%	Year 7	2.1%																																								
Year 3	2.4%	Year 8	2.0%																																								
Year 4	2.3%	Year 9	2.0%																																								
Year 5	2.2%	Year 10	1.9%																																								

Salaries

Salaries are based on a council-led staffing initiative. Salary increases have been estimated at 3%. Further, a new initiative has been included that allows an additional 3% over baseline in 2024/25 and 2% over baseline in 2025/26.

The actual rate of salary increases is higher than the assumed rate.

Likelihood: Low

Impact: Moderate

A 1% increase in salaries over and above the rate applied will increase operating expenditure by \$335,447 in 2024/25.

Although the actual annual salaries expenditure incurred by council may vary against its corresponding forecast, it is expected to be manageable and it is not considered that any annual salaries variance will have a material effect on the overall financial forecasts in the Long Term Plan.

1

Turnover Savings

Turnover savings have been based on a 5 year average of salary variances compared with the staff turnover rates for each of the 5 years. Turnover savings have been estimated at 2.5% of Councils total salaries, less funded positions in year one of the long term plan. For the subsequent years this figure has been inflated inline with the salaries inflation as above.

The actual turnover savings is lower than assumed.

Likelihood: Medium low

Impact: Minor

A 1% decrease in turnover savings would equate to a \$6,088 funding shortfall in 2024/25.

Although the actual annual salaries variance incurred by council may vary against its corresponding forecast, it is expected to be manageable and it is not considered that any variance will have a material effect on the overall financial forecasts in the Long Term Plan.

1

Activity income

Activity income sources (user fees and charges) subject to inflation are assumed to increase annually in line with the BERL forecast OPEX price adjustor at a minimum. Those activities that are funded in the majority by user fees and charges (as set out in councils Revenue and financing policy) are assumed to increase annually at a rate of BERL plus 0.5%, in order to maintain the funding split set out in that policy.

New Zealand Transport Agency Waka Kotahi (NZTA) subsidies and rating income are excepted from this inflationary assumption.

Mileage is not inflated but updated as prescribed by the Inland Revenue Department.

Budget forecasts were developed on the basis of the inflationary split set out in the Statement of Proposal for User Fees and Charges, approved for consultation by council resolution

The actual activity revenue is influenced by rates of inflation different than the assumed rate.

Likelihood: Low

Impact: Minor

Although activity income streams may vary annually due to factors outside of councils control, it is considered manageable and it is not considered to have a material effect on the overall financial forecasts in the Annual Plan.

1

Subsidies

NZ Transport Agency Waka Kotahi subsidy income

Subsidy income is a function of transport activity cost and work categories. The subsidy available for the work categories varies from no subsidy to 100%, with the majority of the subsidy being 54%. The council has assumed there will be no change to the current government funding formula

Actual subsidy rates and criteria for approved works change from the time the Long Term Plan is compiled.

Likelihood: Low

Impact: Major

The maximum financial impact would be the total elimination of the total subsidy income, estimated at \$4,225,299 in 2024/25.

Changes to the funding priorities of NZ Transport Agency Waka Kotahi are outside council's control.

1

and as such, has applied the subsidy at the level advised by NZ Transport Agency Waka Kotahi at the time of preparing the plan.

If the level of NZ Transport Agency Waka Kotahi's subsidy income is lower than forecast, it may require a reprioritisation of the transport work programme or an increase in funding from alternative sources (e.g. region-wide rates).

Rates

Rates increases applied – rating income

In order to fund the expenditure outlined throughout the Long Term Plan, the council intends to increase its rates at the amounts displayed in the table below:

Year 1	15.94%	Year 6	2.26%
Year 2	5.79%	Year 7	2.07%
Year 3	4.04%	Year 8	2.68%
Year 4	4.05%	Year 9	1.55%
Year 5	1.38%	Year 10	0.97%

That the projected rate increases are insufficient to cover expenditure increases resulting from inflation.

Likelihood: Low

Impact: Moderate

Rate funding provides approximately 67% of council revenue, with the remaining revenue coming from investment income, user charges, grants and subsidies.

A 1% increase in rating income would provide \$548,152 additional income, while a 1% increase in operating costs would equate to an additional \$840,481 of expenditure.

The difference between the two is considered manageable. However, it may result in a reprioritisation of council's work programme and/or an increase in funding from alternative sources.

1

Rates collection and affordability

Rates collection for the 10-year period of the Long Term Plan is assumed to be 93% of overall rated income, or 93 cents in the dollar.

Rates arrears are higher than anticipated, with possible link to new legislation managing Māori freehold land.

Likelihood: Medium low

Impact: Medium

A higher amount of unpaid rates would negatively affect council's budgeted cashflow. A 1 percentage-point decrease in rates collection would result in \$548,152 less income.

Council has established an opex reserve to provide for such an eventuality.

3

Investments

Externally managed funds

Revenue derived from investments in externally managed funds is calculated upon an assumption of returns of 5.0% in the short-term fund and 7.25% for the long-term fund.

Returns from externally managed funds are lower than forecast.

Likelihood: Medium low

Impact: Major

A 1% decrease in forecast revenue received on council's externally managed funds will result in a decrease in interest and capital gains of approximately \$53,439.

3

Cash investments

No interest income is assumed to be derived from cash investments. The council hold working capital in managed funds and releases funds as required.

There are no risks associated with this assumption.

NA

Forestry investment revenue

Forestry investment revenue will be in line with the forestry management plan.

Projected forestry returns are lower than those estimated in the plan.

Likelihood: Medium low

Impact: Minor

Forestry investment returns are 1.98% of council revenue. If the projected harvest return is below expectations, the council is able to defer harvesting for a number of years.

1

There will be no fair-value movements to the managed fund investment portfolio. Managed funds values will only change by investment gains earned and retained	Managed fund fair value will vary from the assumption.	Low Any investment revaluations are non-cash in nature, so will have no material impact on council's funding sources.	1
The forestry is revalued annually. The valuation adjustments are provided by an independent forestry consultant. These are non-cash and as the forest is a long-term asset, the adjustments do not affect funding or expenditure requirements.	There are no risks associated with this assumption.		NA

Dividends

Marsden Maritime Holdings Limited It is assumed that council will maintain its shareholding in Marsden Maritime Holdings Limited and that the dividend, expressed as a cents per share amount (cps), received from this shareholding will be 13.50. The council is not forecasting any dividends from Regional Software Holdings Limited, nor any special dividends from Marsden Maritime Holdings Limited.	The actual dividend per share in Marsden Maritime Holdings Limited is lower than the assumed amount	Likelihood: Medium high Impact: Major A 1-cent-per-share movement in the declared Marsden Maritime Holdings Limited dividend will have an impact on council's dividend income by \$221,429. If the actual dividend income is lower than the forecast, other funding sources or savings will be considered to offset the difference. Council has established an opex reserve to provide for such an eventuality.	3
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Investment property

Rental income It is assumed that council's investment property portfolio will be tenanted throughout the year at the current occupancy rates, and that rents will be maintained.	Occupancy rates decline, resulting in lower-than-forecast rental income.	Likelihood: Medium low Impact: Moderate A 1% reduction in council's investment property rental income equates to \$42,337 in 2024/25. All investment property rentals are subject to contractual obligations, which have varying renewal and review periods. Most rental properties have 5, 7 and 21-year lease reviews, and the reviews falling due in any one year will not have a material impact on the annual rental income.	2
Commercial property sales The proceeds from any investment property sale will be reinvested in an investment that provides a return of 7.25% per annum.	That the return on reinvestment is lower than forecast.	Likelihood: Medium low Impact: Minor	1
Revaluation of investment properties The values of council's investment properties has a revaluation applied at the average rate of the rental income inflation.	That the actual revaluation movements will vary from those assumed.	Likelihood: Medium low Impact: Inconsequential A 1% increase in council's investment property portfolio equates to an estimated increase of \$943,270 in the value of the portfolio. Any investment revaluations are non-cash in nature, so will have no material impact on council's funding sources. There is no impact on depreciation as investment properties are not depreciated.	1

Borrowing costs

External borrowing costs

The cost of existing external borrowing (\$18,358,000 at 1 July 2023) is assumed to continue at the current borrowing rates, and that the cost of new debt (from 1 July 2024) is 5.11%.

The prevailing interest rate is higher than that assumed.

Likelihood: Medium low

Impact: Moderate

Borrowing costs increase or decrease. Small changes are unlikely to affect rates. Large changes, however, may result in an increase or decrease to associated rates.

2

Internal borrowing costs

Internal borrowing rates are outlined in the Financial Strategy. The actual internal borrowing rate may be subject to change and will be based upon the cost of borrowing and available investment returns at the time of borrowing.

The internal borrowing rate is higher than that assumed.

Likelihood: Low

Impact: Inconsequential

Interest expense and interest income associated with internal borrowing offset each other in the financial forecasts.

1

Building and assets

Revaluation of land and buildings

The values of council's land and buildings will not change.

The actual revaluation movements will vary from those assumed.

Likelihood: Medium low

Impact: Inconsequential

Any land and building revaluations are non-cash in nature so will have no material impact on the council's funding sources.

For land assets, there is no impact on depreciation as these assets are not depreciated.

If the building revaluations are different from those assumed, it will affect the fixed asset values and flow through to changed levels of depreciation expense. A 1% increase in building asset values will equate to a minimal increase in depreciation.

1

Revaluation of infrastructure assets

The values of the council's infrastructure assets are assumed to increase by cumulative BERL inflation, with the revaluation completed every three years. The first year of revaluation will be applied in 2025/26.

The actual revaluation movements will be significantly different from those forecasted.

Likelihood: Medium low

Impact: Inconsequential

Any infrastructure asset revaluations are non-cash in nature so will have no material impact on the council's funding sources.

For land assets, there is no impact on depreciation as these assets are not depreciated.

1

Asset replacement

It is assumed that sufficient sources of funds for the future replacement of significant assets will be available at the end of their useful life.

Insufficient funds will be available to replace significant assets at the end of their useful lives.

Likelihood: Medium low

Impact: Major

Targeted regional-wide rates, user charges and other targeted rates will increase to achieve the funding requirements. The council may use borrowings in accordance with the revenue and financing policy, liability management policy and treasury management policy.

3

Useful lives of significant assets

The useful lives of significant assets are shown in council's statement of accounting policies.

That council assets wear out earlier or later than estimated.

Likelihood: Low

Impact: Severe

2

It is assumed that no significant assets will fail before the end of their useful lives as set out in the council's accounting policy. The council is aware of all planned asset acquisitions and all asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets.

Vested assets

It is assumed that no vesting or divesting of assets occurs.

That the council changes activities, resulting in decisions not to replace certain existing assets.

Assets will be vested with the council.

The council has several major infrastructural assets. As part of its asset management planning process, council identifies the capacity and condition of such assets and plans its replacement programme accordingly.

Depreciation and interest costs (if borrowing was required) would increase if capital expenditure was required earlier than anticipated, and any earlier replacement may result in the deferral of other discretionary capital projects.

Where a decision is made not to replace an asset, this will be factored into the capital expenditure projections.

Likelihood: Low

Impact: Major

Vested assets have an associated depreciation expense and this will increase the level of rating required if the council decide that the asset would be replaced at the end of its useful life.

1

Depreciation by activity

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Community Resilience	358	383	395	412	429	451
Natural Environment	321	596	642	702	765	844
River Management	266	596	599	619	630	642
Regional Leadership	1,290	924	992	1,081	1,175	1,294
Total Depreciation by Activity	2,235	2,499	2,628	2,814	2,999	3,231

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
474	507	529	551	575	Community Resilience
931	1,051	1,130	1,210	1,298	Natural Environment
676	695	709	747	754	River Management
1,384	1,431	1,537	1,647	1,765	Regional Leadership
3,465	3,684	3,905	4,155	4,392	Total Depreciation by Activity

Capital expenditure

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Community Resilience						
Improvement	6,185	6,680	1,237	105	107	109
Replacement	1,333	-	-	-	-	-
Natural Environmental						
Improvement	474	316	371	386	158	165
Replacement	388	201	261	273	310	373
River Management						
Improvement	4	5,730	300	1,097	885	615
Replacement	-	-	-	-	-	-
Regional Leadership						
Improvement	6,126	4,856	4,887	345	251	250
Replacement	454	535	436	449	526	553
TOTAL CAPITAL EXPENDITURE	14,964	18,318	7,493	2,655	2,236	2,065

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
					Community Resilience
-	-	-	-	-	- Improvement
-	57	-	-	24	Replacement
					Natural Environmental
230	97	98	164	160	Improvement
473	497	360	351	278	Replacement
					River Management
360	170	-	-	-	- Improvement
-	-	-	-	-	- Replacement
					Regional Leadership
393	141	396	351	324	Improvement
458	597	646	665	720	Replacement
1,915	1,558	1,500	1,531	1,507	TOTAL CAPITAL EXPENDITURE

Schedule of reserves

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$'000)	\$'000)	\$'000)	\$'000)	\$'000)
Awanui River Reserve					
Opening Balance as at 1 July	154	153	154	150	147
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(1)	1	(4)	(3)	(5)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	153	154	150	147	142
Kaihu River Reserve					
Opening Balance as at 1 July	89	88	87	86	86
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(1)	(1)	(1)	0	(1)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	88	87	86	86	85
Kaeo Whangaroa Rivers Reserve					
Opening Balance as at 1 July	278	341	407	408	408
Increase /(Decrease) in Reserve throughout the year (operational transfer)	63	66	1	0	(3)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	341	407	408	408	405
Whangarei Urban River Reserve					
Opening Balance as at 1 July	(6,599)	(6,068)	(5,512)	(4,946)	(4,358)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	531	556	566	588	603
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(6,068)	(5,512)	(4,946)	(4,358)	(3,755)
Kerikeri Waipapa Rivers Reserve					
Opening Balance as at 1 July	-	-	-	-	-
Increase /(Decrease) in Reserve throughout the year (operational transfer)	-	-	-	-	-
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	-	-	-	-	-

Year 6 2029/30 \$(000)	Year 7 2030/31 \$(000)	Year 8 2031/32 \$(000)	Year 9 2032/33 \$(000)	Year 10 2033/34 \$(000)	
Awanui River Reserve					
142	132	120	106	79	Opening Balance as at 1 July
(10)	(12)	(14)	(27)	(29)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
132	120	106	79	50	Closing Balance as at 30 June
Kaihu River Reserve					
85	84	83	82	81	Opening Balance as at 1 July
(1)	(1)	(1)	(1)	(1)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
84	83	82	81	80	Closing Balance as at 30 June
Kaeo Whangaroa Rivers Reserve					
405	400	394	385	374	Opening Balance as at 1 July
(5)	(6)	(9)	(11)	(14)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
400	394	385	374	360	Closing Balance as at 30 June
Whangarei Urban River Reserve					
(3,755)	(3,137)	(2,495)	(1,838)	(1,168)	Opening Balance as at 1 July
618	642	657	670	691	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	1	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(3,137)	(2,495)	(1,838)	(1,168)	(476)	Closing Balance as at 30 June
Kerikeri Waipapa Rivers Reserve					
-	-	-	-	-	Opening Balance as at 1 July
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
-	-	-	-	-	Closing Balance as at 30 June

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$'000)	\$'000)	\$'000)	\$'000)	\$'000)
Flood Infrastructure Reserve					
Opening Balance as at 1 July	(3,957)	(3,961)	(3,639)	(4,014)	(4,132)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	4,691	621	646	617	634
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(4,695)	(299)	(1,021)	(735)	(615)
Closing Balance as at 30 June	(3,961)	(3,639)	(4,014)	(4,132)	(4,113)
Whangarei Flood Infrastructure Reserve					
Opening Balance as at 1 July	194	236	280	327	377
Increase /(Decrease) in Reserve throughout the year (operational transfer)	42	44	47	50	49
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	236	280	327	377	426
Awanui Flood Infrastructure Reserve					
Opening Balance as at 1 July	(922)	(897)	(869)	(840)	(808)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	25	28	29	32	35
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(897)	(869)	(840)	(808)	(773)
Taumārere Flood Infrastructure Reserve					
Opening Balance as at 1 July	(463)	(758)	(725)	(691)	(655)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	31	33	34	36	39
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(326)	-	-	-	-
Closing Balance as at 30 June	(758)	(725)	(691)	(655)	(616)
Kao Whangaroa Flood Infrastructure Reserve					
Opening Balance as at 1 July	83	36	52	(15)	(161)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	414	16	9	4	5
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(461)	-	(76)	(150)	-
Closing Balance as at 30 June	36	52	(15)	(161)	(156)

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Flood Infrastructure Reserve					
(4,113)	(3,821)	(3,315)	(2,600)	(1,831)	Opening Balance as at 1 July
652	675	715	769	280	Increase /(Decrease) in Reserve throughout the year (operational transfer)
(360)	(169)	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(3,821)	(3,315)	(2,600)	(1,831)	(1,552)	Closing Balance as at 30 June
Whangarei Flood Infrastructure Reserve					
426	462	488	501	511	Opening Balance as at 1 July
36	26	14	10	11	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
462	488	501	511	522	Closing Balance as at 30 June
Awanui Flood Infrastructure Reserve					
(773)	(742)	(716)	(683)	(656)	Opening Balance as at 1 July
31	26	33	27	(107)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(742)	(716)	(683)	(656)	(763)	Closing Balance as at 30 June
Taumārere Flood Infrastructure Reserve					
(616)	(577)	(536)	(491)	(448)	Opening Balance as at 1 July
39	41	45	43	8	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(577)	(536)	(491)	(448)	(440)	Closing Balance as at 30 June
Kaeo Whangaroa Flood Infrastructure Reserve					
(156)	(153)	(149)	(145)	(142)	Opening Balance as at 1 July
3	4	4	3	3	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(153)	(149)	(145)	(142)	(139)	Closing Balance as at 30 June

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$'(000)	\$'(000)	\$'(000)	\$'(000)	\$'(000)
Land and Freshwater Management Reserve					
Opening Balance as at 1 July	1,769	2,118	2,638	2,623	2,623
Increase /(Decrease) in Reserve throughout the year (operational transfer)	349	520	(15)	-	-
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	2,118	2,638	2,623	2,623	2,623
IRIS Next GEN Reserve					
Opening Balance as at 1 July	96	(525)	(969)	(2,178)	(2,963)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(621)	(444)	(1,209)	(785)	634
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(525)	(969)	(2,178)	(2,963)	(2,329)
Property Reinvestment Fund Reserve					
Opening Balance as at 1 July	26,219	22,428	18,166	18,598	19,008
Increase /(Decrease) in Reserve throughout the year (operational transfer)	659	493	432	410	401
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(4,450)	(4,755)	-	-	-
Closing Balance as at 30 June	22,428	18,166	18,598	19,008	19,409
Regional Projects Reserve					
Opening Balance as at 1 July	13,381	13,822	7,980	8,306	8,623
Increase /(Decrease) in Reserve throughout the year (operational transfer)	441	(5,842)	326	317	306
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	13,822	7,980	8,306	8,623	8,929
Equalisation Reserve					
Opening Balance as at 1 July	1,039	848	389	83	795
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(191)	(459)	(306)	712	716
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	848	389	83	795	1,511

Year 6 2029/30 \$(000)	Year 7 2030/31 \$(000)	Year 8 2031/32 \$(000)	Year 9 2032/33 \$(000)	Year 10 2033/34 \$(000)	
Land and Freshwater Management Reserve					
2,623	2,623	2,623	2,623	2,623	Opening Balance as at 1 July
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
2,623	2,623	2,623	2,623	2,623	Closing Balance as at 30 June
IRIS Next GEN Reserve					
(2,329)	(1,641)	(926)	(239)	(239)	Opening Balance as at 1 July
688	715	687	0	-	- Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
(1,641)	(926)	(239)	(239)	(239)	Closing Balance as at 30 June
Property Reinvestment Fund Reserve					
19,409	19,798	20,174	20,559	29,672	Opening Balance as at 1 July
389	376	385	534	535	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	8,579	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
19,798	20,174	20,559	29,672	30,207	Closing Balance as at 30 June
Regional Projects Reserve					
8,929	9,224	9,509	9,796	10,071	Opening Balance as at 1 July
295	285	287	275	278	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
9,224	9,509	9,796	10,071	10,349	Closing Balance as at 30 June
Equalisation Reserve					
1,511	1,128	2,171	4,582	4,093	Opening Balance as at 1 July
(383)	1,043	2,411	(489)	4,214	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
1,128	2,171	4,582	4,093	8,307	Closing Balance as at 30 June

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Hatea River Reserve					
Opening Balance as at 1 July	(3)	0	0	0	0
Increase /(Decrease) in Reserve throughout the year (operational transfer)	3	(0)	(0)	(0)	(0)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	0	0	0	0	0
Investment and Growth Reserve					
Opening Balance as at 1 July	35	36	46	74	71
Increase /(Decrease) in Reserve throughout the year (operational transfer)	1	10	28	(3)	(3)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	36	46	74	71	68
Whangarei Transport reserve					
Opening Balance as at 1 July	569	440	310	183	58
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(129)	(130)	(127)	(125)	(123)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	440	310	183	58	(65)
Far North Bus reserve					
Opening Balance as at 1 July	536	556	573	586	595
Increase /(Decrease) in Reserve throughout the year (operational transfer)	20	17	13	9	5
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	556	573	586	595	600
Economic Development Reserve					
Opening Balance as at 1 July	18,097	18,394	18,888	19,644	20,463
Increase /(Decrease) in Reserve throughout the year (operational transfer)	297	494	756	819	873
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	18,394	18,888	19,644	20,463	21,336

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$'(000)	\$'(000)	\$'(000)	\$'(000)	\$'(000)	
Hatea River Reserve					
0	0	0	0	0	Opening Balance as at 1 July
0	0	0	0	(0)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
0	0	0	0	0	Closing Balance as at 30 June
Investment and Growth Reserve					
68	66	62	58	54	Opening Balance as at 1 July
(2)	(4)	(4)	(4)	(4)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
66	62	58	54	50	Closing Balance as at 30 June
Whangarei Transport reserve					
(65)	(186)	(306)	(424)	(541)	Opening Balance as at 1 July
(121)	(120)	(118)	(117)	(116)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(186)	(306)	(424)	(541)	(657)	Closing Balance as at 30 June
Far North Bus reserve					
600	602	600	595	586	Opening Balance as at 1 July
2	(2)	(5)	(9)	(13)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
602	600	595	586	573	Closing Balance as at 30 June
Economic Development Reserve					
21,336	22,268	23,265	24,322	25,445	Opening Balance as at 1 July
932	997	1,057	1,123	1,192	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
22,268	23,265	24,322	25,445	26,637	Closing Balance as at 30 June

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Vessel replacement reserve					
Opening Balance as at 1 July	(3,747)	(4,424)	(4,248)	(4,070)	(3,887)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(677)	176	178	183	187
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(4,424)	(4,248)	(4,070)	(3,887)	(3,700)
Operational Reserve					
Opening Balance as at 1 July	1,063	2,017	2,185	2,159	2,312
Increase /(Decrease) in Reserve throughout the year (operational transfer)	954	168	(26)	153	347
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	2,017	2,185	2,159	2,312	2,659
Kaipara Moana Remediation Reserve					
Opening Balance as at 1 July	(346)	(882)	(1,489)	(2,177)	(1,855)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(536)	(607)	(688)	322	321
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(882)	(1,489)	(2,177)	(1,855)	(1,534)
Enterprise System Reserve					
Opening Balance as at 1 July	(5,481)	(5,535)	(5,585)	(5,081)	(4,464)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(54)	(50)	504	617	618
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(5,535)	(5,585)	(5,081)	(4,464)	(3,846)
CDEM Joint Emergency Centre					
Opening Balance as at 1 July	991	(2,706)	(3,366)	(3,179)	(2,984)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	2,737	500	187	195	202
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(6,434)	(1,160)	-	-	-
Closing Balance as at 30 June	(2,706)	(3,366)	(3,179)	(2,984)	(2,782)

Year 6	Year 7	Year 8	Year 9	Year 10	
2029/30	2030/31	2031/32	2032/33	2033/34	
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	
Vessel Replacement Reserve					
(3,700)	(3,507)	(3,307)	(3,100)	(2,884)	Opening Balance as at 1 July
193	200	207	216	226	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(3,507)	(3,307)	(3,100)	(2,884)	(2,658)	Closing Balance as at 30 June
Operational Reserve					
2,659	2,991	3,255	3,588	3,880	Opening Balance as at 1 July
332	264	333	292	864	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
2,991	3,255	3,588	3,880	4,744	Closing Balance as at 30 June
Kaipara Moana Remediation Reserve					
(1,534)	(1,213)	(892)	(570)	(249)	Opening Balance as at 1 July
321	321	322	321	-	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(1,213)	(892)	(570)	(249)	(249)	Closing Balance as at 30 June
Enterprise System Reserve					
(3,846)	(3,240)	(2,645)	(2,104)	(1,631)	Opening Balance as at 1 July
606	595	541	473	380	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(3,240)	(2,645)	(2,104)	(1,631)	(1,251)	Closing Balance as at 30 June
CDEM Joint Emergency Centre					
(2,782)	(2,571)	(2,351)	(2,122)	(1,883)	Opening Balance as at 1 July
211	220	229	239	250	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	Increase /(Decrease) in Reserve throughout the year (capital transfer)
(2,571)	(2,351)	(2,122)	(1,883)	(1,633)	Closing Balance as at 30 June

	Year 1 2024/25 \$(000)	Year 2 2025/26 \$(000)	Year 3 2026/27 \$(000)	Year 4 2027/28 \$(000)	Year 5 2028/29 \$(000)
Capital Subsidy Reserve					
Opening Balance as at 1 July	-	-	-	-	-
Increase /(Decrease) in Reserve throughout the year (operational transfer)	150	110	-	-	-
Increase /(Decrease) in Reserve throughout the year (capital transfer)	(150)	(110)	-	-	-
Closing Balance as at 30 June	0	0	0	0	0
Regional Sporting Facilities Reserve					
Opening Balance as at 1 July	-	(5)	(10)	(16)	(23)
Increase /(Decrease) in Reserve throughout the year (operational transfer)	(5)	(5)	(6)	(7)	(8)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	(5)	(10)	(16)	(23)	(31)
Regional Rescue Sevices Reserve					
Opening Balance as at 1 July	-	1	2	2	2
Increase /(Decrease) in Reserve throughout the year (operational transfer)	1	1	0	(0)	(2)
Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-	-	-	-
Closing Balance as at 30 June	1	2	2	2	(0)
TOTAL SPECIAL RESERVES CLOSING BALANCE	35,757	25,744	26,020	29,277	34,492

Year 6 2029/30 \$(000)	Year 7 2030/31 \$(000)	Year 8 2031/32 \$(000)	Year 9 2032/33 \$(000)	Year 10 2033/34 \$(000)	
Capital Subsidy Reserve					
-	-	-	-	-	- Opening Balance as at 1 July
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
0	0	0	0	0	Closing Balance as at 30 June
Regional Sporting Facilities Reserve					
(31)	(39)	(48)	(57)	(68)	Opening Balance as at 1 July
(8)	(9)	(9)	(11)	(10)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
(39)	(48)	(57)	(68)	(78)	Closing Balance as at 30 June
Regional Rescue Sevices Reserve					
0	(2)	(5)	(8)	(13)	Opening Balance as at 1 July
(2)	(3)	(3)	(5)	(5)	Increase /(Decrease) in Reserve throughout the year (operational transfer)
-	-	-	-	-	- Increase /(Decrease) in Reserve throughout the year (capital transfer)
(2)	(5)	(8)	(13)	(18)	Closing Balance as at 30 June
38,950	45,054	52,816	65,714	74,350	TOTAL SPECIAL RESERVES CLOSING BALANCE

Equity represents the total value of the council and its assets and is measured by the difference between total assets and liabilities. Public equity is disaggregated and classed into a number of reserves to enable clearer identification of the specified uses of accumulated surpluses.

The components of equity are:

- » retained earnings
- » council-created reserves
- » asset revaluation reserves.

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves can be used to account for revenue and expenditure collected or incurred in relation to specific work programmes. Where the council sets and collects a targeted rate for a specific purpose, the funds can only be applied to that purpose; keeping track of surpluses and deficits of those work programmes in a reserve ensures the council is accountable and transparent.

Where reserves carry a deficit balance, they are deemed to have undertaken internal borrowing from the council's consolidated funds. Conversely, where the reserves carry a surplus, they are deemed to have loaned money to the council's consolidated funds.

About council's reserves

Information about the council's reserve funds held for a specific purpose is provided in the following table:

	Purpose	Activities to which the reserve relates
Land and freshwater management reserve	This reserve was created to set aside Land Management rates collected but not fully used in any given year.	Land and Freshwater
River and Flood Infrastructure reserves	<p>The Awanui, Kaihu, Kāeo -Whangaroa, Kerikeri-Waipapa, Whangārei urban and Taumārere river reserves and flood infrastructure reserves represent accumulated targeted river management rates and targeted flood infrastructure rates collected and unspent in any given year to cover:</p> <ul style="list-style-type: none"> » Any future funding shortfalls in respect to the maintenance and operation of existing river flood management schemes (river reserves) » Any future funding shortfalls relating to the development, maintenance and operation of new flood infrastructure schemes (flood infrastructure reserves) <p>This keeps the surpluses/ deficits in the appropriate activity separate from other activities. Any deficit balance in these reserves will be restored to a positive balance from future targeted river management and flood infrastructure rates collected from the rate payers within the area of benefit identified in the respective flood management plans.</p>	River management
Flood infrastructure reserve	This reserve was created to hold any targeted flood infrastructure rates relating to new flood protection capital programmes, identified in the infrastructure strategy, that were collected and unspent in any given year. These unspent rates will cover any future funding shortfalls in the new flood protection capital programmes.	River management
Property reinvestment reserve	This reserve was established to represent the proceeds of commercial property sales and acquisitions and includes the proceeds of a special dividend (capital) payment made by the Marsden Maritime Holdings Limited. This reserve represents general funds invested in council's long term and short term investment funds that are set aside to be reinvested in income-producing assets, pending the identification of approved property investments. The income from this reserve represents funds available for operational spend for other activities where needed.	Economic development
Equalisation reserve	This reserve was created to represent accumulated surplus forestry income (after accounting for the cost of any forestry maintenance) arising in any year. These reserved funds are intended to provide future funding of councils general operating activities with a view to smoothing future rating increases. For example, costs associated with biosecurity responses to incursions of new pest plants or animals. It is further intended that these reserved funds be used to fund the self insurance of forestry infrastructure and the cost of forestry operations in non-harvesting years.	All
Hātea river maintenance reserve	<p>This reserve was created to represent a component of the council services rate specifically levied across the Whangārei constituency, which is set aside to ensure funding is in reserve and immediately available if dredging of the Hātea river is required. The funds may be applied to the following:</p> <ol style="list-style-type: none"> 1. Ongoing maintenance and dredging 2. Disposal of dredged spoil material 3. The provision of an annual hydrographic survey of the river. 	Harbour safety and navigation

	The reserve is to be maintained at a targeted fund of up to \$400,000.	
Investment and growth reserve	This reserve was created to represent the income set aside and held in reserve to fund activities and projects that contribute towards economic well-being in accordance with set criteria, including operational funding for Northland Inc.	Economic development
Economic development reserve	This reserve was established to represent funds held in council's long-term investment fund that are reserved to support Northland's economic development activities including investment in community infrastructure.	Economic development
Civil Defence Emergency Management (CDEM) Multi Agency Coordination Centre reserve	This reserve represents the shortfall in funding relating to the Civil Defence Emergency Management Multi Agency Coordination Centre. Any deficit balance in this reserve will be restored to a positive balance from future rates collected. From then on any rates collected over the life of the program will accumulate and be held to repay the borrowing at the end of the loan term.	Multi Agency Coordination Centre
Vessel replacement reserve	This reserve represents the shortfall in funding relating to the required contribution to the construction of new maritime vessels and associated berthing facilities. Any deficit balance in this reserve will be restored to a positive balance from future rates collected. From then on any rates collected over the life of the program will accumulate and be held to repay the borrowing at the end of the loan term. In addition this reserve will hold rates collected over the life of the vessel to fund the next replacement vessel.	Harbour safety and navigation
Regional projects reserve	This reserve was established to represent funds invested by council, and held for infrastructure and economic development investments, with a view to stabilising the impact of large irregular infrastructure projects on council's income and capital requirements. Investments are made in accordance with set criteria. . The income from this reserve represents funds available for operational spend for other activities where needed.	All
Whangārei and Far North transport reserves	The Whangārei transport reserve and the Far North transport reserve represent accumulated targeted Whangārei transport and Far North transport rates collected and unspent in any given year to cover any future funding shortfalls of their respective transport services. Any deficit balance in these reserves will be restored from future targeted rates collected from ratepayers in the Whangārei district (Whangārei transport rates) and Far North district (Far North transport rates).	Transport
Regional rescue services reserve	This reserve represents any accumulated targeted Regional rescue services rates collected and unspent in any given year, and held in reserve to cover any future funding shortfalls of Regional rescue services funding.	Community representation and engagement
Approved carry forwards reserve	This reserve represents amounts approved to be carried forward from one financial year to the next to enable specific work programmes to be completed. All carry forwards are approved by way of council resolution.	All
Regional sporting facilities reserve	This reserve represents accumulated targeted regional sporting facilities rates collected and unspent in any given year, and held in reserve to contribute to any future funding shortfalls of regional sporting facilities funding.	Economic development
Operational reserve	This reserve was established to represent the term deposits held to ensure the stability of work-programmes, employment, and councils ongoing day to day operations, by ensuring that the portion of annual operating costs that is intended to be funded from gains from council's managed funds is in reserve. This will cover any unanticipated loss in council's funding arising from adverse economic conditions or volatility in financial markets	All

Capital Subsidy reserve	This reserve represents capital subsidies received by council to offset the future costs associated with capital projects.	Emergency Management
Kaipara Moana remediation reserve	This reserve represents the shortfall in funding relating to the required contribution to the Kaipara Moana Remediation program. Any deficit balance in this reserve will be restored to a positive balance from future rates collected. From then on any rates collected over the life of the program will accumulate and be held to repay the borrowing at the end of the loan term.	Kaipara Moana remediation programme
Enterprise System Reserve	This reserve represents the shortfall in funding relating to the enterprise system. Any deficit in this reserve will be restored to a positive balance from future rates collected.	Enterprise System

All reserves displaying a deficit balance at 1 July 2023 have an associated targeted rate that will generate income over a certain time period in order to return the reserve to a credit balance.

Investment and growth reserve

	Year 1	Year 2	Year 3	Year 4	Year 5
	2024/25	2025/26	2026/27	2027/28	2028/29
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Forecast Opening Balance	35	36	38	56	44
TLA Share of Costs *	456	562	680	696	711
Economic Development Fund investment revenue transferred to reserve	966	795	577	585	590
Economic Development Rate revenue transferred to reserve	1,017	1,238	1,507	1,547	1,589
Payment to Northland Inc. Limited as operational funding	(2,140)	(2,295)	(2,348)	(2,402)	(2,455)
Payment to fund capital expenditure	-	-	-	-	-
Payments to fund projects	(300)	(300)	(300)	(300)	(300)
Payments for enabling	0	0	(100)	(140)	(150)
Other withdrawals	(0)	(0)	(0)	(0)	(0)
Gains/Interest reinvested	2	2	2	2	2
Forecast Closing Balance	36	38	56	44	31

Year 6	Year 7	Year 8	Year 9	Year 10
2029/30	2030/31	2031/32	2032/33	2033/34
\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
31	28	33	43	61 Forecast Opening Balance
726	740	755	770	784 TLA Share of Costs *
593	595	606	617	628 Economic Development Fund investment revenue transferred to reserve
1,632	1,674	1,709	1,740	1,775 Economic Development Rate revenue transferred to reserve
(2,506)	(2,556)	(2,607)	(2,657)	(2,707) Payment to Northland Inc. Limited as operational funding
-	-	-	-	- Payment to fund capital expenditure
(300)	(300)	(300)	(300)	(300) Payments to fund projects
(150)	(150)	(155)	(155)	(160) Payments for enabling
(0)	(0)	(0)	(0)	(0) Other withdrawals
2	2	2	3	3 Gains/Interest reinvested
28	33	43	61	84 Forecast Closing Balance

* Note: The decision of Whangārei District Council in relation to Northland Inc, and associated contributions to the Investment and Growth Reserve, are not reflected in this statement due to timing of deliberations on their Long Term Plan 2024-2034.

Financial prudence

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

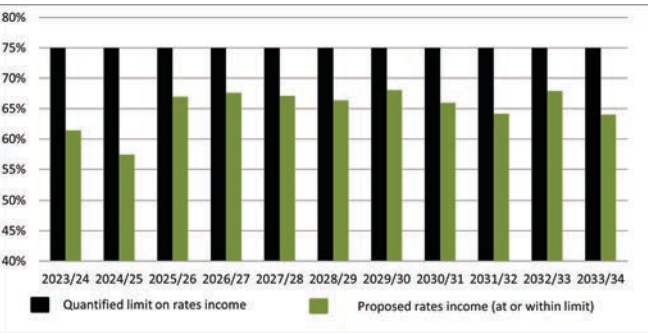
Rates affordability benchmarks

The council meets the rates affordability benchmark if:

- » its planned rates income equals or is less than each quantified limit on rates, and
- » its planned rates increases equal or are less than each quantified limit on rates increases.

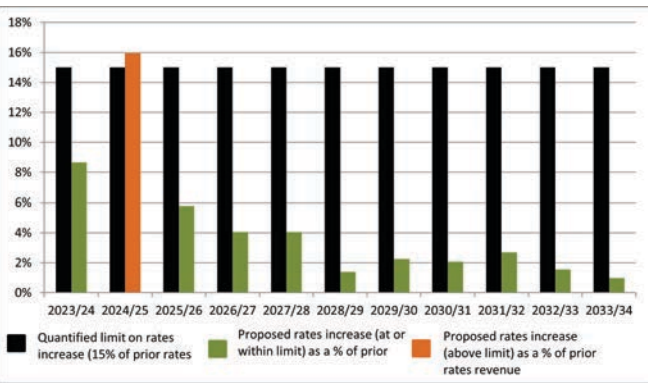
Rates (income) affordability

The following graph compares the council's planned rates income with a quantified limit on rates contained in the financial strategy included in this long term plan. The quantified limit is no more than 75% of total revenue.



Rates (increases) affordability

The following graph compares the council's planned rates increases with a quantified limit on rates increases included in the financial strategy in this long term plan. The quantified limit is no more than 15% of prior years' rates revenue.



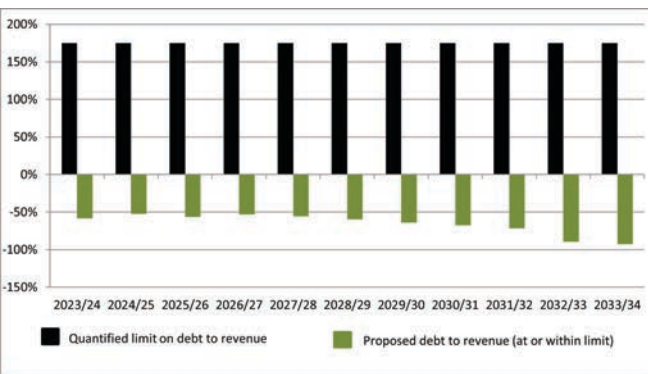
Debt affordability benchmarks

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

The following graphs compare council's planned debt with quantified limits on borrowing stated in the financial strategy included in this long term plan.

Net debt to total revenue

The quantified limit for net debt as a proportion of total revenue is 175%.

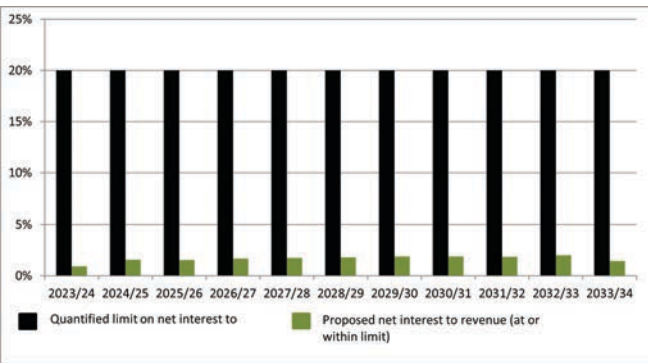


Northland Regional Council carries a significant value of investments categorised as non-current that could be liquidated if required.

The increase in the planned debt-to-revenue percentage is due to increased revenue and mostly static net debt during the long term plan reporting periods.

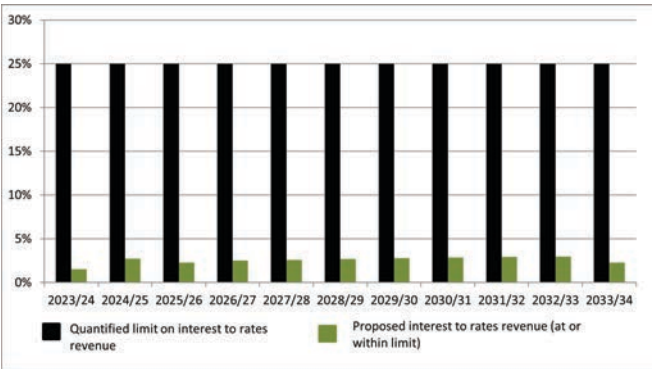
Net interest to total revenue

The quantified limit for net interest as a proportion of total revenue is 20%.



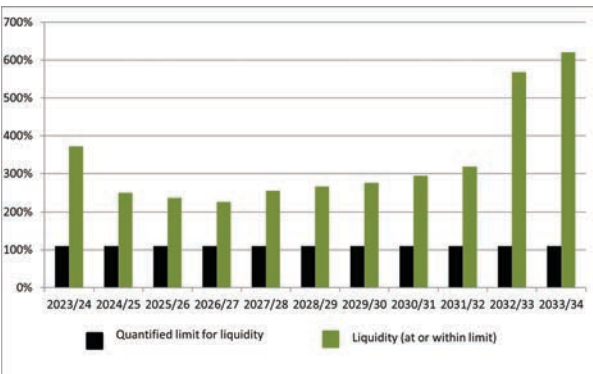
Net interest to annual rates revenue

The quantified limit for net interest as a proportion of annual rates revenue is 25%.



Liquidity

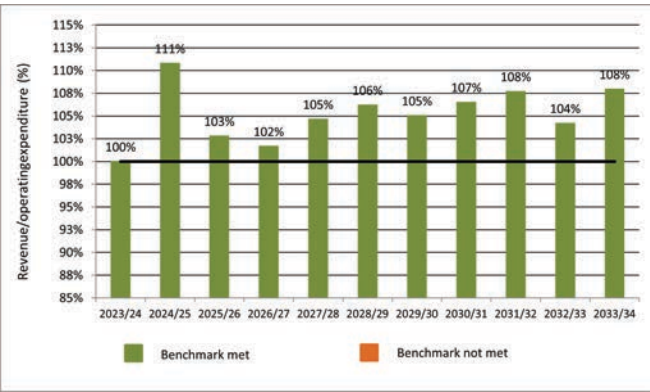
The quantified limit for liquidity is set as a minimum of 110%.



Balanced budget benchmark

The following graph displays the council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

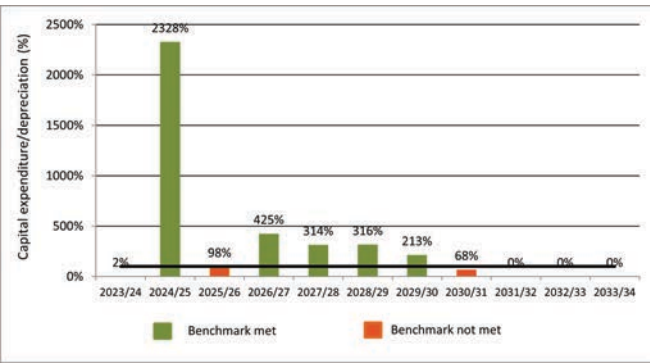
The council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses. The benchmark is represented by the black line.



Essential services benchmark

The following graph displays the council's planned capital expenditure on network services (flood protection) as a proportion of expected depreciation on network services.

The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services. The benchmark is represented by the black line.

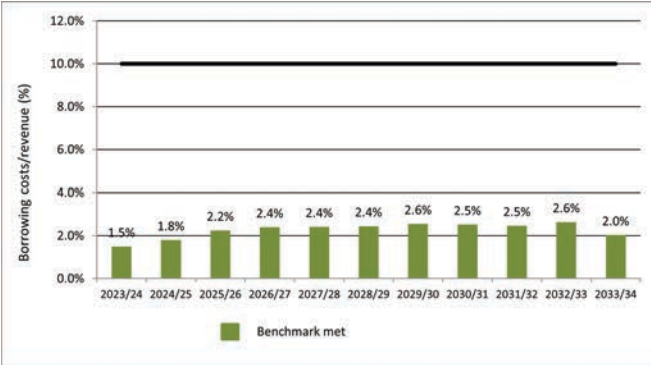


The 2023-24, 2025-26, 2030-31, 2031-32, 2032-33 and 2033-34 years don't include high capital expenditure on flood protection and so falls below the benchmark. This is due to only having budgeted design and investigation work at this stage of infrastructure planning.

Debt servicing benchmark

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Because Statistics New Zealand projects the council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue. The benchmark is represented by the black line.



Ngā kaupapa here

Policies



This section sets out the policies that we consulted on as part of our long term plan consultation process. These are our:

- » Revenue and financing policy
- » Financial contributions policy
- » He kaupapa here mō te noho rangapū ā-Tiriti me te Māori - Policy on Te Tiriti Partnerships with Māori
- » Significance and engagement policy

User Fees and charges

Our user fees and charges, including our principles and policies on charging, were consulted on concurrently with the long term plan process. The final charges and policy are in a separate document that can be found on our website: www.nrc.govt.nz

Remission and postponement of rates and penalties

We adopt policies on the remission and postponement of rates and penalties, and early payment of rates, that are the same as the Far North, Kaipara and Whangārei district councils. We do this because the district councils collect rates on our behalf. We don't adopt any policies or parts of policies that don't relate to the rates collected on our behalf (for example, a policy related solely to water rates).

The full list of policies on the remission and postponement of rates and penalties that relate to our regional council activities can be found on our website: www.nrc.govt.nz

Other supporting policies

We maintain other policies that are not included in this long term plan, but that may be of interest or provide further support to the information in this document:

- » Statement of accounting policies
- » Treasury management policy (including the liability management and investment policy)
- » Policy on the appointment of directors to council organisations

These can also be found on our website: www.nrc.govt.nz

Revenue and financing policy

Overview

The Local Government Act 2002 (LGA) requires the council to adopt a Revenue and Financing Policy, outlining the council's approach to funding its operating and capital expenses – in other words, how the council pays for what it does.

The council must manage its finances prudently and in a manner that promotes the current and future interests of the community. Generally, the council must make sure it has a “balanced budget”, ensuring that operating revenue covers operating expenses.

The council can fund its activities from a range of sources outlined in section 103 of the Local Government Act. The council usually pays for activities from the following:

1. Targeted region-wide rates.
2. Specific targeted rates.
3. Income from investments.
4. Fees and charges.
5. Grants and subsidies.

The council also uses borrowing to fund some of its activities.

Te Ture Whenua Māori Principles

This Revenue and Financing Policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993 (Māori Land Act 1993). These principles include recognition of the special relationship between Māori and the Crown under the Treaty of Waitangi; that land is a taonga tuku iho of special significance to Māori and its retention in the hands of its Māori owners should be promoted; that wāhi tapu should be protected; and that the occupation, development, and utilisation of that land should be facilitated for the benefit of its Māori owners, their whānau, and their hapū.

Council considers that this policy supports these principles, particularly when viewed in conjunction with Council's Policy on Remissions and Postponement for Māori freehold land. The Council is also guided by its “Policy on Te Tiriti Partnerships with Māori”; and by the “Tāiki ē” strategy and action plan for implementation of Council's Te Tiriti responsibilities to Māori, jointly developed by NRC and Te Taitokerau Māori and Council Working Party (TTMAC). These documents provide a foundation for enhancing NRC partnership with tāngata whenua in Te Taitokerau, and for facilitating the achievement of desired shared outcomes.

Sources of funding for operating expenses

Targeted region-wide rates

The council typically uses targeted region-wide rates to fund activities that provide a community benefit or public good, not benefits for specific users. In these cases it is usually impossible or impractical to identify customers or users, or to fully recover costs from those who benefit, or those who make the situation worse.

The council has elected to use five targeted region-wide rates, as it considers these to be a fairer approach than setting a general rate and uniform annual general charge. The level of targeted region-wide rates is based on the funding required to provide agreed council activities after identifying other income sources.

Specific targeted rates

The council uses specific targeted rates where it provides services to a certain area or group within the regional community, but there is no mechanism to directly charge them. The activities funded may have a wider community benefit or public good, but a group derives a direct or greater benefit from the provision of the activity. Where it is appropriate, only this group will be targeted to pay for some or all of the service.

The council may also set a specific targeted rate for transparency and accountability.

Income from investments

The council uses its investment returns (dividends, interest, gains and rent) to reduce targeted region-wide rates. For the purposes of this policy, we group investment returns with targeted region-wide rates, and refer to this group as 'rates/general funds'.

Some investment revenue will be diverted to the Investment and Growth Reserve to fund economic development activity.

Fees and charges

User charges are direct charges to identified individuals and/or groups:

- » who use certain council services, or
- » whose actions or inactions cause the council to provide the service.

In these instances, a benefit exists to clearly identifiable people and/or groups, so they are required to pay for all or part of the cost of using that service.

Fees and charges are set based on recovering either the full cost of the service, the marginal cost added by users, or a rate that the market will reasonably pay. Fees and charges are set in accordance with the council's charging policy.

Licence fees may be set by the council or by regulation, and may not always cover the full costs of the service. Enforcement fees are charged to achieve compliance and do not necessarily meet the full costs of the enforcement activity.

Borrowing

The council may use internal or external borrowing as per its Treasury Risk Management Policy (including Liability Management and Investment Policies) to bring forward or accelerate operating expenditure. The cost and repayment of borrowing is to be funded from the same funding sources available to fund the specified activity.

Reserves and special funds

Reserve funds may be used to fund expenditure for specific purposes. In some circumstances, the reserves are a legal requirement. The council may establish additional reserves as and when required. Any funding surplus or deficit resulting from activities funded through targeted rates is set aside in a specified reserve to be used or repaid in subsequent financial years. Subject to meeting any specified conditions associated with these reserves, the council may spend money of an operating or capital nature from these reserves.

Proceeds from asset sales

Proceeds from asset sales will usually be used to provide funding to acquire assets of a similar nature. The council may also choose to use the proceeds of asset sales to fund operating expenditure. Keeping strategic and investment assets, and using investment returns (operating) to promote economic wellbeing, provides intergenerational equity. Unless the council resolves otherwise, proceeds from the sale of investment assets will be set aside for future reinvestment.

Financial contributions

The council does not require financial contributions.

Grants and subsidies

Central government and other third-party agencies provide various grants and subsidies for specified activities and projects.

Other funding sources: use of surpluses from previous financial periods

Where the council has recorded an actual surplus in one financial period, it may pass this benefit on to ratepayers in a subsequent financial period. The council will not normally carry forward surpluses in relation to the sale of assets or revenue received for capital purposes.

Sources of funding for capital expenditure

Capital expenditure is generally funded from the same sources available to fund operational expenditure. While debt or internal borrowing may sometimes be used to provide the immediate funding needed to acquire an asset, repayment of the debt will be made from the same sources as operating expenditure.

Capital expenditure is funded from depreciation, general funds, targeted rates and borrowing as outlined below:

- » Replacement of an asset: funded out of rates charged to recover depreciation. If funds are insufficient, then reserves or borrowing may be used to provide funding.
- » New asset or the upgrade or increase in service potential of an existing asset: internal or external borrowings.

The funding of capital expenditure from the sale of surplus assets, restricted or special funds is decided on a case-by-case basis.

If an approved capital expenditure project is not completed by the end of the financial period, the unspent funds may be carried forward to the next financial period. The council may impose a targeted rate to fund capital expenditure or repay the borrowings on an asset at a faster rate than over the full life of the asset.

Revenue and financing sources and mechanisms for the council's activities

The following table shows a summary of the funding sources for each activity, and the council's consideration of the factors under Section 101(3) of the Local Government Act 2002 when determining the appropriate funding sources for each activity. The factors considered for each activity were:

- » The community outcomes to which it primarily contributes.
- » The distribution of benefits between:
 - the community as a whole
 - any identifiable parts of the community, and
 - individuals.
- » The period the benefits are expected to occur.
- » How much the actions or inaction of individuals or a group contribute to the need for the activity.
- » The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

We have also considered the overall impact on the community of any allocation of liability for revenue needs. Over the course of this Long Term Plan, the council will borrow funds to pay for the capital infrastructure of our river management schemes. The maximum period of these loans is 30 years, and actual loan periods are determined after considering the extent of the capital works and the period of benefit, affordability and commitment of future generations.

Specific targeted rates will be collected from 2024/25 to ensure the council has sufficient funds to repay these loans as they fall due. The council will invest rates collected in managed funds until the loans are due to be repaid. By collecting rates immediately, the council receives investment returns that will offset the borrowing costs. This approach ensures the financial cost of borrowing, and hence the impact on the community (via the targeted rates they are required to pay each year), is reasonable.

Explanation of notations made in the table

Rates/general funds: includes targeted region-wide rates and general funding (including income from investments).

Full: All, or almost all, the cost of the activity is funded from that source.

If the comment is made regarding rates/general funds, it does not preclude making minor charges for the service, but indicates that the charges are a negligible part of the total funding.

Majority: Most of the service is funded from this source.

When used in reference to fees and charges, it reflects the view that the services should be recovered from users, but that legislation imposes some constraints that may mean that full recovery is not possible.

Residual: A portion of funds comes from this source.

When used in reference to fees and charges, it reflects that in some circumstances there are constraints on council charges, or that the alternative revenue source may include enforcement revenue that is imposed to achieve compliance and may not always cover the costs of enforcement.

Natural environment

The entire community desires a well-structured and effective region, and benefits from integrated regional policies and plans that provide for the sustainable management of Northland's resources. This activity is a public good, which supports the enhancement of indigenous biodiversity and biosecurity, and continuous improvement in water quality and security of supply. The benefits accrue both in the immediate and long term.

For certain activities, applicants must seek consent under the Resource Management Act 1991 (RMA) and the Building Act 2004. This process contributes towards safe and resilient communities, and continuous improvement in water quality and security of supply. The regional community gains assurance that activities requiring consent are in accordance with regional policies and the RMA. RMA and building (dams) consent holders directly benefit from gaining compliance and holding consent. The benefits of these services accrue both in the immediate and long term. Processing resource consent applications is considered to be largely private good, with an element of public benefit. The allocation of costs to those who benefit from the services or cause such costs is beneficial, as the community does not have to bear such costs.

Capital costs are minor and as they do not directly relate to individual consent applications, they are funded from rates/general funds for efficiency reasons.

Individuals may require information and advice on the lawfulness of intended, proposed or existing activities. The regional community benefits from informed participation and decision making. Resource users benefit from guidance on regulation, appropriate use and development of resources. These services support safe and resilient communities, and efficient and effective service delivery, and the benefits accrue both in the immediate and long term. We consider the provision of consents advice and information to be a public and private good. The public good is served by the informed ease of transacting and engaging with the council. Private good exists where advice relates to applications where individuals derive a direct benefit. Fees can be charged for some advice, as per the council's charging policy.

The regional community benefits from improved knowledge and management of the regional environment. This activity is a public good that supports the enhancement of indigenous biodiversity and biosecurity, and continuous improvement in water quality and security of supply. The benefits accrue in the immediate and long term.

Need is created by individuals who have consents and those whose actions or inactions risk or harm the environment. The local and regional communities benefit from environmental protection via the monitoring, enforcement and clean-up actions carried out by the council. This activity supports the enhancement of indigenous biodiversity and biosecurity, and continuous improvement in water quality and security of supply. The benefits of these services accrue both in the immediate and long term. This activity is mostly a private good, however compliance provides public benefit. The allocation of costs to those who benefit from the services, or those who cause such costs, is beneficial to the community, as the community does not have to bear such costs.

Planning and Policy

Operating expenditure:

» Rates/general funds - Full

Minor capital expenditure may be required:

» Rates/general funds - Full

Consents activity: Consent applications

Operating expenditure:

» Fees and charges - Majority

» Rates/general funds - Residual

Minor capital expenditure may be required:

» Rates/general funds - Full

Consents activity: Consents advice and information

Operating expenditure:

» Rates/general funds - Full

Minor capital expenditure may be required:

» Rates/general funds - Full

Science: State of the Environment monitoring

Operating expenditure:

» Rates/general funds - Full

Minor capital expenditure may be required:

» Rates/general funds - Full

Monitoring: Compliance monitoring

Operating expenditure:

» Fees and charges - Majority (Licence and Enforcement fees)

» Rates/general funds - Residual

Minor capital expenditure may be required:

» Rates/general funds - Full

Monitoring: Environmental incidents response

Operating expenditure:

» Rates/general funds - Majority

» Fees and charges - Residual

Minor capital expenditure may be required:

» Rates/general funds - Full

<p>Individuals and communities live or plan development in areas that are subject to natural hazards. Natural hazard management supports safe and resilient communities, and the benefits accrue immediately and in the long term. Individuals and the community benefit from reduced risk to property, projection losses and loss of life. Community-wide benefits include hazard identification and risk reduction analysis throughout the region. Hazard management is primarily a public good, with an element of private benefit to individuals and groups of individuals.</p>	Monitoring: Waste management and contaminated sites	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Majority » Fees and charges - Residual <p><i>Minor capital expenditure may be required:</i></p> <p>Rates/general funds - Full</p>
<p>The community wants advanced warning of water risks, and to have our water resource sustainably managed. Hydrology monitors and reports on water quantity (rainfall, groundwater, surface water, rivers and lakes), which contributes to continuous improvement in water quality and security of supply, and safe and resilient communities. Individuals and the community benefit from early notification of rainfall in significant rivers, and management of Northland's water resources. There is community-wide benefit from monitoring and understanding our various water resources and information. The benefits of these services accrue both in the immediate and long term. Hydrology activity is primarily a public good with an element of private benefit to individuals and groups of individuals. Fees and charges are levied for compliance-related activities.</p>	Natural Hazard Management	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full <p><i>Capital expenditure may be required:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full
<p>The community wants animal and plant pests to be controlled, and our region's unique ecosystems to be protected. The regional community benefits both in the immediate and long term from the enhancement of indigenous biodiversity and biosecurity in Northland, and from the contribution towards a thriving regional economy through increased land productivity. We consider the provision of biosecurity activities to be largely a public good, with an element of private benefit, where pest control is provided to individuals and/or groups of individuals.</p>	Hydrology	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full <p><i>Capital expenditure may be required:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full
<p>Individuals and the community may compromise the environment, or may wish to foster and enhance the environment. They benefit in the immediate and long term from improved image, retention/enhancement of productive values of land, reduction in adverse effects, and enhancement of priority ecosystems/natural resources. The wider community benefits from the enhancement of indigenous biodiversity and biosecurity. The provision of biodiversity activity is considered to be a public good. However, there can be an element of private benefit, where Environment Fund grants and activities are provided to individuals or a group of individuals. Beneficiaries of the Environment Fund must also provide a significant contribution towards the projects.</p>	Biosecurity	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Majority » Fees and charges - Residual » Grants and subsidies - Residual <p><i>Capital expenditure may be required:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full
<p>Individuals and the community may compromise the environment, or may wish to foster and enhance the environment. They benefit in the immediate and long term from improved image, retention/enhancement of productive values of land, reduction in adverse effects, and enhancement of priority ecosystems/natural resources (improved water quality, reduced run-off and sedimentation, and reduced frequency of flooding). The wider community benefits from the enhancement of indigenous biodiversity and biosecurity. The provision of land and water activity is considered to be a public good. However, there can be an element of private benefit, where Environment Fund grants and activities are provided to individuals or a group of individuals. Beneficiaries of the Environment Fund must also provide a significant contribution towards the projects.</p>	Biodiversity	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Majority » Grants and subsidies - Residual <p><i>Minor capital expenditure may be required:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full
	Catchment Management	<p><i>Operating expenditure:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Majority » Grants and subsidies - Residual <p><i>Minor capital expenditure may be required:</i></p> <ul style="list-style-type: none"> » Rates/general funds - Full

Community resilience

Individuals and the public require flood risk reduction when living or undertaking developments in flood risk areas. The community benefits from reduced incidence of damaging floods in Northland. Individual landowners benefit from the reduction in property damage and primary production losses. The benefits of these services support safe and resilient communities, and accrue both in the immediate and long term. We consider river management works to be both a private and public good. Where specific works are carried out, the council considers the public good element to be paramount, and also considers each community's ability to pay additional targeted rates. As such, rates/general funds fund the majority of these works.

The use of targeted rates to partially fund each river scheme promotes accountability and affordability, as residents and business weigh up the costs of flood protection works against the level of risk. The council recognises it may not be realistic or cost effective to precisely identify either direct beneficiaries on the floodplain or indirect beneficiaries in the economic catchment, and proxies will need to be used. It will not always be feasible for the council to recoup costs from some types of beneficiaries. Exception: should the cost of collecting a separate targeted rate on small schemes exceed the benefits, then those works will be funded from rates/general funds along with any design or investigation work undertaken.

Capital expenditure includes any interest and capital repayments where debt is raised. This includes river management infrastructure.

The community desires the response capability and advanced warning provided in emergency events, and benefits from these services. Maintaining a response capability, centralised co-ordination centre and planning for major emergency events benefit the regional and national community. The benefits of these services accrue both in the immediate and long term. Civil defence and emergency response is a public good, which supports safe and resilient communities. It benefits all individuals and landowners during emergency events, so the majority is funded from rates/general funds.

Fuel tankers visit Marsden Point Oil Refinery, which constitutes a major oil spill risk. The local commercial tourism service, fishing fleets and the substantial recreational vessel fleet use the region's coastal waters and associated refuelling facilities. The council's Oil Pollution Response supports safe and resilient communities, and a thriving regional economy. The regional and wider communities benefit from clean seas and coastal environments, and commercial shipping benefits from a spill response system and the availability of resources for cleaning up spills. The benefits of these services accrue both in the immediate and long term. Where evidence permits, the council will seek to charge the exacerbator, however it is not always feasible or cost effective to do so.

Recreational and commercial coastal water users create a need for harbour safety and navigation, which supports safe and resilient communities. Offering harbour safety and navigation services provides both public and private benefits, which accrue both in the immediate and long term. The regional community benefits from safer coastal areas for recreation. The public, including commercial and recreational users, benefits from safe water transport and the provision of services. Charges are levied on larger vessel and coastal structure owners, as direct beneficiaries, in accordance with the Navigation, Water Transport and Maritime Safety bylaw and the council's charging policy. The application of user charges promotes transparency and accountability, and reduces the rating requirement on the community.

Capital expenditure is required for property plant and equipment (including cyclical renewal of vessels, vehicles and navigational aids) to carry out this activity.

Flood risk management

Operating expenditure:

- » Rates/general funds - Majority
- » Targeted rates - Residual
- » Grants and subsidies - Residual

Capital expenditure on river asset infrastructure is undertaken as part of this activity:

- » Rates/general funds - Majority
- » Targeted rates - Residual

Emergency Management

Operating expenditure:

- » Rates/general funds - Majority
- » Grants and subsidies - Residual

Minor capital expenditure may be required:

- » Rates/general funds - Full

Oil Pollution Response

Operating expenditure:

- » Grants and subsidies - Majority
- » Rates/general funds - Residual

Capital expenditure may be required:

- Rates/general funds - Full

Harbour Safety and Navigation

Operating expenditure:

- » Fees and charges- Majority
- » Rates/general funds - Residual

Capital expenditure is required:

- » Rates/general funds - Full

Legislation requires, and the community desires, an integrated transport network. Regional transport management is a public good that supports efficient and effective land transport policies and public transport, and safe and resilient communities. The regional community benefits from the provision of an affordable, integrated, safe, responsive and sustainable transport system. The benefits are ongoing, however there is immediate benefit to the transport users.

The community desires access to public transport services and total mobility schemes. Passenger transport administration supports efficient and effective land transport policies and public transport, and safe and resilient communities. The entire Whangārei district benefits from the provision of community passenger transport services, including the flow-on effects of reduced congestion and improved road safety in Whangārei urban areas where passenger services operate.

Where public transport is provided in other areas across the region, there is both community and individual benefit. The community benefits from having individuals being able to engage in day-to-day activities. The individual benefits from being able to travel and access the community when they otherwise might not be able to do so. The benefits of these services are immediate at the time of using the service/transport. The region benefits from the provision of a passenger transport system.

Each bus service is funded from a combination of central government funding (where available), user fees and charges, and a targeted rate. This combination of funding promotes affordability and transparency, and allows the council to take advantage of available subsidies. Setting user fees at an affordable level is intended to encourage and promote use of the bus service.

Individuals and communities live or plan development in areas that are subject to natural hazards. Natural hazard management supports safe and resilient communities, and the benefits accrue immediately and in the long term. Individuals and the community benefit from reduced risk to property, projection losses and loss of life. Community-wide benefits include hazard identification and risk reduction analysis throughout the region. Hazard management is primarily a public good, with an element of private benefit to individuals and groups of individuals.

Transport: Regional Transport Management

Operating expenditure:

- » Rates/general funds - Majority
- » Grants and subsidies - Residual

Capital expenditure may be required:

- » Rates/general funds - Full

Transport: Passenger Transport Administration

Operating expenditure:

- » Grants and subsidies - Majority
- » Fees and charges - Residual
- » Targeted rates - Residual

Capital expenditure may be required:

- » Rates/general funds - Full

Climate Change resilience

Operating expenditure:

- » Rates/general funds - Full

Capital expenditure may be required:

- » Rates/general funds - Full

Regional leadership

The Local Government Act 2002 requires councils to work with the community to make and implement key decisions. Both the community and council benefit immediately and in the long term from the community's contribution towards the council's decision-making. Community representation is a public good that contributes to safe and resilient communities.

The Local Government Act 2002 requires councils to work with Māori to make and implement key decisions. Māori Engagement is a public good, which contributes to prosperous relationships with tangata whenua, and ensures safe and resilient communities. Both the community and council benefit immediately and in the long term from improved decision making and representation.

The community desires knowledge of, and involvement in, council activity. The council needs community buy-in with its activities. Communication is a public good that contributes to safe and resilient communities. Both the council and community benefit in the immediate and long term from better community understanding of, and engagement and involvement in, council activities.

Governance: Community Representation

Operating expenditure:

- » Rates/general funds - Full

Minor capital expenditure may be required:

- » Rates/general funds - Full

Māori Engagement

Operating expenditure:

- » Rates/general funds - Full

Communication and Engagement: Communication

Operating expenditure:

- » Rates/general funds - Full

The community desires knowledge of, and involvement in, council activity. The council needs community buy-in with its activities. Online communication and engagement is a public good that contributes to safe and resilient communities. Both the council and community benefit in the immediate and long term from better community understanding of, and engagement and involvement in, council activities.

Communication and Engagement: Online

Operating expenditure:

» Rates/general funds - Full

The community wants the environment to be maintained or improved. Environmental education supports the enhancement of indigenous biodiversity and biosecurity, and continuous improvement in water quality and security of supply. The community benefits from the opportunity to learn about and participate in the sustainable use, development and protection of the region's resources. The benefits are ongoing, but there is immediate benefit to the recipients. While some individuals (children and schools) may derive private benefit, the cost of providing this activity by imposing user charges on the recipients would potentially make the programme unaffordable for the direct recipients.

Communication and Engagement: Environmental Education

Operating expenditure:

» Rates/general funds - Majority

» Grants and subsidies - Residual

Minor capital expenditure may be required:

» Rates/general funds - Full

The community wants to improve regional wealth. Economic development activities support Northland having a thriving regional economy, and have public and private benefit in both the immediate and long term. The regional community benefits from an improved economic climate and the flow-on effect of increased economic growth, which includes improved economic activity, employment and income opportunities. Individuals and businesses benefit directly from increased economic opportunities, and the tourism sector benefits from sector support and promotion. Targeted rates may be set to provide transparency and accountability regarding the provision of specific activities.

Economic Development: Economic Development Activities

Operating expenditure:

» Rates/general funds - Residual

» Income from Economic Development Reserve - Majority

» Grants and subsidies - Residual

Capital expenditure may be required:

» Rates/general funds - Full

The community wants to improve regional wealth. Economic development projects support Northland having a thriving regional economy, and have public and private benefit in both the immediate and long term. The regional community benefits from an improved economic climate and the flow-on effect of increased economic growth. Individuals and individual businesses benefit directly from increased economic opportunities flowing out of specific initiatives. Funding these projects from targeted rates ensures transparency and accountability.

Economic Development: Projects

Operating expenditure:

» Targeted rate - Majority

» Rates/general funds (Investment and Growth Reserve) - Residual

» Grants and subsidies - Residual

Capital expenditure may be required:

» Targeted rates - Full

The community desires regional infrastructure, including sporting facilities. The regional community benefits from improved infrastructure and economic activity, contributing to a thriving regional economy. Individuals and businesses will benefit from direct use of the infrastructure. The benefits accrue both in the immediate and long term. Funding from targeted rates ensures transparency and accountability.

Economic Development: Infrastructure

Operating expenditure:

» Targeted rates - Full

Capital expenditure:

» Targeted rates - Full

The community wants to access council information and services, and to transact with the council. The provision of customer services supports efficient and effective service delivery, and is also used to support prosperous relationships with tangata whenua. The community benefits from having easy access to council information and services, and the council benefits from closer relationships with the community and improvement in its reputation. These benefits accrue immediately and in the long term. We consider customer services to be largely a public good, with an element of private benefit, where information and support is provided to individuals.

Customer Services

Operating expenditure:

Rates/general funds - Full

Corporate services provides corporate services to the rest of the council, including finance, human resources, health and safety, continuous improvement, information management, information technology, the Chief Executive Officer (CEO) Office and property. This activity is a public good that supports efficient and effective service delivery. Corporate services are allocated to activities based on relevant cost drivers.

Corporate Services: All except Commercial Investments and Regional Sporting Facilities

Operating expenditure:

» Rates/general funds - Majority

» Fees and charges - Residual

» Grants and subsidies - Residual

Capital expenditure is required:

» Rates/general funds - Full

The community wants to have access to emergency and rescue services, and the ongoing provision of sporting facilities of regional benefit.

We consider these activities to be public goods, contributing to safe and resilient communities, that we can support in our role as regional leaders. The wider community benefits include reduced risk to life and community wellbeing, and occur both immediately and long term.

Given the extensive public mandate received via consultation, council has deemed it appropriate to use targeted rates/ general funds to fund regional sporting facilities via the non-contestable funding process, and regional rescue services via a contestable process open to existing recipients.

To provide transparency to the ratepayers, council has deemed it appropriate to set a targeted rate for the funding of these activities.

Commercial investment activity supports improved returns on council investments, and a thriving regional economy. The community desires that the council's commercial investments are managed prudently for the benefit of current and future ratepayers. The regional community benefits immediately and in the long term from the direct investment income generated from commercial investments, as this revenue is applied to fund council operations, including economic development, and helps to keep rates affordable. The community also benefits from any wider economic development gains that may accrue from investment and commercial decisions.

Operating: We consider the entire revenue stream and capital growth associated with investment activities are a public good.

Capital: Investments can be tailored to achieve a mix of financial and strategic objectives. The growth of council investments, through further investment and capital appreciation, promotes intergenerational equity, which ensures assets are available for the future benefit of the community.

Corporate Services:
Funding for regional
rescue services, and
regional sporting
facilities.

Operating Expenditure:

- » Targeted rates - Majority
- » Rates/general funds - Residual

Corporate Services:
Commercial
Investments

Operating:

- » Rates/general funds - Majority
- » Fees and charges - Residual

Commercial investment provides net investment revenue funding to contribute towards rates/general funds

Capital expenditure may relate to specific commercial development projects:

- » Rates/general funds - Full

Financial contributions policy

This policy describes Northland regional Council's approach to development and financial contributions.

Development contributions

Northland Regional Council will not be seeking any development contributions as provided for under the Local Government Act 2002. The power to levy such contributions is restricted to territorial authorities.

Financial contributions

The operative Regional Air Quality Plan, Regional Coastal Plan and Regional Water and Soil Plan prepared by the Northland Regional Council under the Resource Management Act 1991 include financial contribution provisions. However, these regional plans will be replaced by the Regional Plan for Northland, which does not include financial contributions provisions and is scheduled for adoption in late 2024.

No financial contributions can be levied by Northland Regional Council unless provisions for such are included within a regional plan – the inclusion of financial contributions provisions may be considered as part of any review and/or change to the regional plan.

He kaupapa here mō te noho rangapū ā-Tiriti me te Māori

Policy on Te Tiriti Partnerships with Māori

Te Tiriti o Waitangi

Tōna hautoru pea o te taupori e noho ana ki Te Taitokerau e tohungia he Māori ia — he nui ake tēnei wehenga tāngata i te nuinga o ngā rohe kē atu o Aotearoa whānui.

He motuhake a Te Taitokerau i Aotearoa nei, i te mea koia tēnei te wāhi i hainatia ai He Whakaputanga o te Rangatiratanga o Nū Tirenī me Te Tiriti o Waitangi e ngā rangatira tokomaha nō ngā hapū o tēnei rohe. I whakatauria e te uiuinga a te Paparahi o te Raki, i raro i Te Taraipūnara o Waitangi, kīhai rātou ngā rangatira i hainatia Te Tiriti o Waitangi i tuku i tō rātou tino rangatiratanga. He mea tino nui ki ngā tāngata whenua o Te Taitokerau ā rātou kōrero tuku iho. E mōhiotia whānuitia ana te Tiriti o Waitangi hei kawenata tapu o te motu, ka mutu, e whakamanahia ana te noho rangapū a te iwi Māori me te Karauna. He mea whakaū hoki tēnei i te takune o He Whakaputanga.

I runga i tāna mōhio ki tēnei hītori me ngā whakarereanga iho, ka whakaaro nui te Kaunihera i roto i āna mahi ki ngā mōtika me te whai tikanga a te Māori i raro i Te Tiriti. Ka whaiwhakaaro hoki ki te whaipānga me te whakamahinga o Te Tiriti, āna mātāpono rānei, ngā mea e rua rānei, kua tūtuhia i roto i ngā ture me ngā tauākī kaupapa here ā-motu e whai take ana.

I a ia e whakawhanake kaupapa here ana, mahere hoki, ka whaiwhakaaro te Kaunihera, mā te kōrero tahi ki te Māori, mehemea me rerekē ngā huarahi mā te Māori i runga anō i ngā pānga rerekē ki a rātou i whakapaehia. Ka whaiwhakaaro hoki ki ngā taonga Māori me ngā tikanga pērā ki te mana, te whakapapa, te whanaungatanga, te manaakitanga, me te kaitiakitanga.

E mōhiotia ana e te Kaunihera ngā hua o te mahi tahi ki ngā tāngata whenua e āhei ai rātou ki te whai wāhi ōrite mai ki ngā tukanga whakatau kaupapa o te Kaunihera, mā roto i ngā tikanga e whakatutuki ai i tā te Māori e hiahiaitia ai, e wawatahia ai, tae atu rā ki ērā ā te rohe whānui anō hoki. Kua whakaūtia anōtia te ngākau whakamomori o te Kaunihera i runga i te pōtitanga o ngā kaikaunihera wāri Māori i te tau 2023.

Te Horopaki Whakature

E manahia ana e te Local Government Act 2002 (LGA) te hononga i waenganui i te iwi Māori me te Karauna i raro i te maru o te Tiriti o Waitangi. E pēnei mai ana te Wāhanga 4 o te LGA:

‘Kei te Wāhanga 2 me te Wāhanga 6 ngā mātāpono me ngā herenga mō ngā mana ā-rohe e whakamana ai, e whakaute ai hoki i te haepapa o te Karauna ki ngā mātāpono o te Tiriti o Waitangi, ka mutu, e mau tonu ai, e nui ake ai hoki te whai wāhi a te Māori ki ngā tukanga whakatau kaupapa a ngā kāwanatanga ā-rohe. Ko te takune, kia ngāwari ai te whai wāhi a te Māori ki roto i ēnei tukanga whakatau kaupapa ā-rohe.’

Te Tiriti o Waitangi | Treaty of Waitangi

Approximately a third of Te Taitokerau region’s population identifies as Māori — a higher proportion than most other regions of Aotearoa New Zealand.

Te Taitokerau has a special place in Aotearoa as the signing place of He Whakaputanga o te Rangatiratanga o Nū Tirenī (Declaration of Independence of New Zealand) and Te Tiriti o Waitangi by many rangatira of the hapū of the region. The Waitangi Tribunal’s Paparahi o te Raki inquiry concluded that the rangatira who signed Te Tiriti did not cede their sovereignty. Tāngata whenua of Te Taitokerau feel very strongly about their heritage and regard Te Tiriti o Waitangi as the founding document of the nation, which recognises a partnership between Māori and the Crown, and further reinforces the intent of He Whakaputanga.

Cognisant of this history and its legacy, Council commits to have regard in its work to the rights and interests of Māori under Te Tiriti, and to consider the relevance and application of Te Tiriti and / or its principles as prescribed in relevant legislation and national policy statements.

When developing policies and plans, Council will, in consultation with Māori, consider whether different approaches are required for Māori due to expected different effects or impacts on them, and will take into account Māori taonga, and tikanga values and practices such as mana, whakapapa, whanaungatanga, manaakitanga and kaitiakitanga.

Council recognises the benefits of working with tāngata whenua to enable equitable participation in council decision-making processes, in ways that meet the needs and aspirations of Māori as well as regional outcomes. The election of Māori ward councillors in 2023 has given further expression to Council’s commitment.

Legislative context

The Local Government Act 2002 (LGA) recognises the relationship between Māori and the Crown under the Treaty of Waitangi. Section 4 of the LGA states:

‘In order to recognise and respect the Crown’s responsibility to take appropriate account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local government decision-making processes, Parts 2 and 6 provide principles and requirements for local authorities that are intended to facilitate participation by Māori in local authority decision-making processes.’

Me whakatinana mārika ngā Kaunihera i ngā mātāpono me ngā herenga o te LGA kia ngāwari ai te whai wāhi a te Māori ki roto i ngā tukanga whakatau kaupapa ā-rohe.

E whakamanatia ana i te Wāhanga 81 o te LGA te whai wāhi a te Māori ki roto i ngā whakataunga kaupapa, mā te tono ki ngā kaunihera ā-rohe ki te:

- Whakarite, mau hoki i ngā tukanga e whai wāhi ai te Māori ki ngā tukanga whakatau kaupapa o te mana ā-rohe; ā,
- Whakaaro mō ngā huarahi e whakawhanake ai i tō te Māori raukaha ki te whai wāhi ki ngā tukanga whakatau kaupapa o te mana ā-rohe; ā,
- Whakamōhiotia atu ki te Māori ngā pārongo whaitake e tutuki ai ngā kaupapa o ngā kōwae a) me te b).

Me whakaatu e ngā kaunihera i roto i ā rātou Mahere Paetawhiti ngā hātepe katoa e whanake ai tō te Māori raukaha ki te whai wāhi atu ki ngā whakataunga kaupapa a ngā kaunihera.

E whakatairanga ana Te Ture Whakahaere Rauemi 1991 (RMA) i te whakahaere toitū o ngā taonga a taiao — māori mai, ōkiko mai hoki. E manahia ana e te RMA te hononga i waenganui i te Māori me te Karauna, ā, e tonongia ana ngā kaunihera kia whakaarotia ngā mātāpono o te Tiriti o Waitangi (Wāhanga 8) i roto i ā rātou mahi. Kua tautuhitia ēnei mātāpono e ngā kōti me Te Rōpū Whakamana i te Tiriti o Waitangi. Ko ngā mātāpono matua ko te noho rangapū, te tauutuutu, ngā painga pātahi, me te whakahaumarū hāoho. He utanga tō te Kaunihera (hei kanohi o te Karauna), tō te iwi Māori hoki, kia mahi matatika i runga i te ngākau pono. He haepapa hoki tō te Kaunihera ki te whakatau kaupapa i runga i te tino mōhio. Ko te āta wānanga tahi me te whiriwhiri tahi i waenganui i te Kaunihera me te tangata whenua tētahi o ngā huarahi e whakaatungia ai te ngākau pono. Mā tēnei e kaha ake ai te whakatinana o te rangatiratanga me te noho rangapū i raro i Te Tiriti.

Ko te whakahaumarutanga o te reo Māori kei raro hoki i te haepapa whakahaumarū hāoho. E whakamanahia ana te reo Māori hei reo ōkawa o Aotearoa e Te Ture mō te Reo Māori / Māori Language Act 2016 (1987 i ngā wā o mua). Kua tauākitia i tēnei Ture te utanga o te Karauna ki te mahi ngātahi me te iwi Māori e whakahaumarū hāohotia, e whakatairangatia hoki ai te reo Māori, e mōhio whānuitia nei he taonga tuku iho. Kei te Kaunihera hoki tēnei haepapa.

E mea ana te RMA kāhore e whakaae ana kia tapareretia e ngā kaupapa here me ngā mahere o te Kaunihera ngā ture whaitake mō te whai wāhi a ngā iwi me ngā hapū (tae atu ki ngā whakataunga Tiriti). Nā konā, me whai whakaaro te Kaunihera ki ngā whakataunga Tiriti i roto i āna kaupapa here, mahere, tukanga hoki. He tikanga anō ngā Mana Whakahono ā-Rohe i raro i te RMA e taea e ngā Kaunihera te mahi tahi me ngā iwi, hapū rānei, ki te whakawhitiwhiti kōrero, whakaae me te whakatau i ngā huarahi e whai wāhi atu ai ngā tāngata whenua ki roto i ngā tukanga whakahaere rauemi, whakataunga kaupapa anō hoki.

Ngā uara o te Kaunihera

Ko te uaratanga hukihuki a te Kaunihera, “Tiakina te taiao, tuia te here tangata”.

I runga anō i ngā herenga ā-ture o te Kaunihera ki te whakamana i te whai wāhi a te Māori ki ngā tukanga o te kāwanatanga ā-rohe, ko tētahi aronga matua a te Kaunihera ko te poipoi i ngā ‘hononga mauroa i raro i Te Tiriti ki ngā tāngata whenua’.

E kōrerotia ana te kaupapa ‘He iwi tahi tātou kia ora ai te taiao / Kāwanatanga and Rangatiratanga work together for the wellbeing of the taiao’ i roto i a Tāiki ē. I whakaaetia ngātahitia tēnei rautaki, a Tāiki ē, e te Kaunihera ā rohe o Te Taitokerau me Te Ohu Mahi o te Kāhui Māori o Te Taitokerau me Te Kaunihera (TTMAC). Ko te aronga matua o Tāiki ē ko te para i tētahi huarahi pai e

Councils must provide for the principles and requirements of the LGA to facilitate participation by Māori in local authority decision-making processes.

Section 81 of the LGA provides for Māori participation in decision-making by requiring local authorities to:

- establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and*
- consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority; and*
- provide relevant information to Māori for the purposes of paragraphs a) and b).*

Councils are required to outline in their Long Term Plan any steps that they intend to take to foster the development of Māori capacity in order to contribute to council decision-making.

The Resource Management Act 1991 (RMA) promotes the sustainable management of natural and physical resources. The RMA recognises the relationship between Māori and the Crown and requires councils to take into account the principles of the Treaty of Waitangi (section 8) when undertaking their functions. These principles have been defined by the courts and the Waitangi Tribunal. Key principles include partnership, reciprocity, mutual benefit, and active protection. There is an obligation on Council (as a representative of the Crown) and Māori to act reasonably, honourably, and in good faith. There is also a duty for Council to make informed decisions. Genuine and meaningful consultation and negotiation among Council and tāngata whenua is one way of demonstrating good faith. Such consultation should enhance the exercise of rangatiratanga and serve to strengthen the Treaty partnership.

The duty of active protection includes protecting te reo Māori. Te Ture mō te Reo Māori / Māori Language Act 2016 — formerly 1987) recognises the Māori language as an official language of New Zealand. In this Act, the Crown expressed its commitment to work in partnership with Māori to actively protect and promote te reo Māori, which is recognised as a taonga tuku iho (cultural treasure). Council also has this responsibility.

The RMA states that council policies and plans cannot limit any relevant iwi and hapū participation legislation (including treaty settlements). Accordingly, Council must take into account Treaty settlements in its policies, plans and processes. Mana Whakahono ā-Rohe (iwi participation arrangements) are another mechanism under the RMA that Council can enter into with iwi or hapū to discuss, agree and record ways in which tāngata whenua may participate in resource management and decision-making processes.

Council's values

Council's draft mission statement is 'Tiakina te taiao, tuia te here tangata — Nurture the environment, bring together the people'.

With statutory obligations to empower Māori to participate in local government processes, a key focus area for Council is fostering 'meaningful partnerships with tāngata whenua under Te Tiriti'.

The mission of Tāiki ē speaks of 'He iwi tahi tātou kia ora ai te taiao / Kāwanatanga and Rangatiratanga work together for the wellbeing of the taiao'. Tāiki ē is a jointly agreed strategy of Northland Regional Council and Te Taitokerau Māori and Council (TTMAC) Working Party. The purpose of Tāiki ē is to provide a clear roadmap towards giving effect to Te Tiriti

whakatinanatia ai ngā haepapa o NRC me TTMAC ki te whakamana i Te Tiriti. E hono ana ōna whāinga matua ki te Wai/Moana, te Whakawhanake i te Raukaha me te Āheinga, te Tairaru Āhuarangi, te Whai Kanohi Māori, me te Whakawhanaketanga o te Ōhanga Māori.

E ngākau titikaha ana te Kaunihera ki te whakawhanake me te tiaki i ngā hononga pūmau ki te iwi Māori i roto i āna mahi katoa. Hei ārahi i te Kaunihera me āna kaimahi ki te whakatutuki i tēnei whāinga, ka wāriutia e te Kaunihera te Māori (o inamata, o onamata, o anamata anō hoki), tōna ahurea me āna tikanga hoki, me te whakatinana i tēnei i roto i ā rātou mahi katoa.

Ngā hononga

Ka raranga tonutia e te Kaunihera ngā hononga pūmau me te iwi Māori hei tūāpapa e pai ai tāna whai wāhi mai ki roto ki ā te Kaunihera tukanga whakatau kaupapa. Ka ū tonu te Kaunihera ki te tiaki me te whakakaha hoki i ēnei hononga.

He taukaea Te Ohu Mahi o te Kāhui Māori o Taitokerau me Te Kaunihera (TTMAC) e whiringia ana te iwi Māori ki roto i ngā tukanga whakatau kaupapa o te Kaunihera. E toru tekau ngā mema o te rōpū mahi nei, ka mutu e 21 mema nō ngā hapū/iwi, ā, tokoiwa ko ngā kaikaunihera katoa. Ko te whāinga matua o tēnei rōpū kia 'kōkiritia he tauira mahi ngātahi ki te iwi Māori, e tautoko nei i ngā kaupapa matua o te taiao, te ōhanga, te pāpori, te ahurea, te wairua hoki puta noa i te rohe'.

E ngākau whakamomori tonu ana te Kaunihera ki te raranga i tētahi hononga ā-rohe ki Te Kahu o Taonui (te rōpū ā-rohe o ngā Heamana ā-Iwi), ki ngā Heamana ā-Iwi, rātou ko ngā Kaiwhakahaere Matua ā-Iwi.

Te whakawhitiwhiti kōrero me te pārongo

E whai hua ai te whai wāhi a te Māori ā-tāngata whenua nei ki roto i ngā tukanga whakatau kaupapa o te Kaunihera, me tika te tuku pārongo whaitake, i te wā tika, mā te hanga e whai patanga ana ki taua tukanga whakatau kaupapa, otirā, ki te hunga e whiwhi ana i aua pārongo.

Ka whakawhanake tonutia e te Kaunihera ōna tukanga mahi, ngā rauemi kaimahi, te āheitanga ā-ahurea, ngā huarahi me ngā tikanga whakawhitiwhiti kōrero hoki, e pai ai te whakawhiti kōrero whai hua me te mahi tahi ki te iwi Māori.

Te poipoi i te whai wāhi a te Māori

E whai ake nei ko ngā hātepe whāiti ka whāia e te Kaunihera ki te poipoi i te whakapiki raukaha me te whakarite kia whai wāhi mai te Māori ki roto i āna whakatau kaupapa:

- » Kia aro nuitia, kia whakatinana tonutia a Tāiki ē (Te Rautaki Whakamana i Te Tiriti o NRC, me tāna Mahere Whakahaere). Ko ngā arotahinga matua o Tāiki ē pēnei: kia nui ake ai te raukaha me ngā āheinga o te iwi Māori ki te whakatutuki i ōna wawata, ka mutu, kia pai ai te whai kanohi Māori i roto i ngā tukanga whakatau kaupapa o te Kaunihera, mā te mahi ngātahi i raro i Te Tiriti.
- » Kia rite tonu te arotaketia e ngā mātanga motuhake te tutukitanga a te Kaunihera i ngā Paetohu Mahi Matua (KPI) mō Te Tiriti, e tika ai tā te Kaunihera whakatinana i āna herenga ki Te Tiriti.
- » Kia rangona tonutia i ngā anga mana urungi o te Kaunihera te reo whaimana o ngā kaikaunihera, kua pōtitia e te Māori, me ngā mātanga tāngata whenua motuhake hoki, i roto i ngā take nui ki te Māori.

obligations and to make NRC and TTMAC accountable in achieving them. Its key whāinga have regard for Wai/Marine, Building Capacity and Capability, Climate Crisis, Māori Representation, and Economic Development.

Council is committed to developing and maintaining meaningful partnerships with Māori across all aspects of council business. To help guide Council and staff in achieving this goal, Council will ensure that Māori (past, present and future), and their culture and traditions, are valued and reflected in their work.

Relationships

Council will continue to develop genuine relationships with Māori that will underpin and facilitate the inclusion of Māori in its decision-making processes. Council will remain committed to maintaining and strengthening these relationships.

Te Taitokerau Māori and Council (TTMAC) Working Party is a key relationship mechanism that is facilitating the inclusion of Māori in Council's decision-making processes. The 30-strong working party consists of 21 iwi/hapū members and all nine councillors, and its key purpose is 'to advance a model of Māori engagement that supports environmental, economic, social, cultural and spiritual priorities across the region'.

Council remains committed to building a regional relationship with Te Kahu o Taonui (regional Iwi Chairs collective), Iwi Chairs and Chief Executives.

Liaison and information

For Māori as tāngata whenua to have effective input into council's decision-making processes, relevant information must be communicated accurately, in a timely manner, and in a form that is appropriate to the decision-making process and audience.

Council will continue to develop its processes, staff resources, cultural competency, and communication channels and methods, to enable effective communication and positive interactions with Māori.

Fostering Māori participation

Below are specific steps that Council will take to foster capacity-building and provide opportunities for Māori to contribute to Council's decisions:

- » *Continue to prioritise and deliver on Tāiki ē (NRC Te Tiriti Strategy and Implementation Plan). Tāiki ē focuses on actions to improve the capacity and capability of Māori to give effect to their aspirations, and to achieve effective Māori representation in Council decision-making via a Treaty-based partnership.*
- » *Continue to do regular reviews of council's performance against Te Tiriti Key Performance Indicators by independent experts (the bi-annual Te Tiriti Health Check), to ensure council gives effect in a meaningful way to its Te Tiriti obligations.*
- » *Ensure that Māori elected councillors and independent tāngata whenua experts continue to have an effective voice on matters important to Māori in the governance of Council.*

- » Kia tautoko tonu i ngā whakahaere o Te Ohu Mahi TTMAC, me te whakarato tonu i ngā rauemi ki a ia, hei huarahi mā te iwi Māori e whai wāhi ai ia ki roto i ngā tukanga whakatau kaupapa o te Kaunihera, ā, hei whakapiki hoki i te raukaha o ngā hāpori Māori whānui ki te whai wāhi ki ngā whakataua te Kaunihera.
- » Kia tautoko tonu i te mahi a te Rōpū Mātanga Tohutohu Māori (MTAG) (he rōpū iti i raro i te Ohu Mahi TTMAC) me te whakarato tonu i ngā rauemi ki a ia. Ko te mahi a MTAG he tuku wawe mai i ngā tohutohu mō ngā mahere me ngā tukanga mahi o te Kaunihera.
- » Kia tautoko tonu i te mahi a te Rōpū Mātanga Tohutohu Māori mō ngā Kaupapa Wai-māori (TWWAG) me te whakarato tonu i ngā rauemi ki a ia. Ko ngā mahi a te rōpū nei: ka tahi, he tātari, he tuku kupu tūtohu ki a TTMAC mai i te tirohanga Māori, e tautoko ai i te tukanga panoni mahere wai-māori; ka rua, he whakawhanake tūtohu mō te Kaunihera ki te kōrero ki te hāpori Māori whānui mō te kaupapa o te panoni mahere wai-māori; ka toru, he whakapiki hoki i tā NRC mārama ki te mana me te mauri o te wai.
- » Kia wawe te whakawhiti kōrero me te Māori i mua noa atu mō ngā tukanga whakamahere katoa i raro i te RMA.
- » Kia whakatairanga, kia tautoko hoki i te tohatoha pārongo me te whakawhiti kōrero i waenganui i ngā iwi me ngā Heamana Kaunihera, kaikaunihera hoki i tēnei rohe. Ka pēnei mā te tōpūtanga ā-iwi o Te Kahu o Taunui (TKOT), me te wānanga o te Iwi Local Government Chief Executives (ILGACE).
- » Kia whakatairanga, kia tautoko hoki i te tohatoha pārongo me te whakawhiti kōrero tonu i waenganui i ngā kaiwhakahaere matua o ngā mana ā-iwi me ngā kaunihera hoki o te rohe.
- » Kia whakapakari tonu te mōhio ā-ahurea o ngā kaimahi kaunihera, rātou ko ngā kaikaunihera, mā te whakangungu, te whakarato i ngā rauemi mōhiohio, te tuitui i ngā tūtakitanga kanohi-ki-te-kanohi me ngā tangata whenua mā te whai i ngā tikanga Māori. He whakarato hoki i te tautoko taha tikanga me te taha reo mai i te Rōpū Hononga Māori o te Kaunihera.
- » Kia whakaratohia ngā kaimahi e mātau ana ki te ahurea Māori, hei āwhina i ngā kanohi a ngā hinonga me ngā hāpori tangata whenua ki te mahi tahi ki ngā kaimahi kaunihera, otirā, kia mārama ai rātou ki ngā tukanga mahi o te Kaunihera anō hoki.
- » Kia tukuna tonutia ngā pūtea tautoko hei whakawhanake, whakahou rānei i ngā Mahere Whakahaere Take Taiao a te Iwi/Hapū.
- » Kia tiakina, kia whakahoungia tonutia te pātengi raraunga whakapāpā Māori kia ngāwari ai ngā taunekeneke i waenganui i te Kaunihera rātou ko ngā hinonga me ngā hāpori Māori.
- » Kia tuaritua atu ngā tārua o ngā tono whakaaetanga whakahaere rauemi, kua tukuna kē mai ki te Kaunihera, ki ngā marae, hapū, me ngā mana ā-iwi e whaipānga ana ki a rātou aua tono, e tū ana rānei hei māngai mō ngā tangata whenua ka pāngia pea e aua whakaaetanga.
- » Whakaratongia tonutia ngā kōwhiringa maha ki ngā rangatira, ngā mātanga, ngā kaitiaki Māori hoki kei te rohe, kia ako ai rātou mō te taha whakature, ngā kaupapa here, ngā waeture, ngā mahere, me ngā ture e whaitake ana ki a rātou.
- » Whakaratongia ngā kōwhiringa ki ngā pakihi Māori me ngā mātanga Māori, i runga anō te kaupapa here o te Kaunihera e pā ana ki te whiwhinga ratonga Māori.
- » *Ensure that Council's governance structures reflect a commitment to Māori representation and independent tāngata whenua experts.*
- » *Continue to support and resource the operation of the TTMAC Working Party as an avenue for Māori to provide input into Council's decision-making processes, and for building the capacity of the wider Māori community to contribute to the decisions of Council.*
- » *Continue to support and resource the operation of the Māori Technical Advisory Group (MTAG – a sub-group of the TTMAC Working Party), to provide early technical input into Council's plans and processes.*
- » *Continue to support and resource the operation of the Tāngata Whenua Water Advisory Group (TWWAG), to provide analysis and to make recommendations to TTMAC from a Māori perspective, to support the freshwater plan change process; to develop recommendations to Council on engagement with the wider Māori community on the freshwater plan change; and to generally enhance NRC's understanding of te mana me te mauri o te wai.*
- » *Undertake early pre-consultation with Māori on all RMA planning processes.*
- » *Promote and support information sharing and consultation among Iwi and Council Chairs/councillors in the region through Te Kahu o Taunui (TKOT) iwi collective, and the Iwi Local Government Chief Executives (ILGACE) forum.*
- » *Promote and support ongoing information sharing and consultation among the chief executives of iwi authorities and councils in the region.*
- » *Continually enhance the cultural competency of Council staff and councillors, through training, provision of information resources, facilitation of kanohi ki te kanohi (face-to-face) interaction with tāngata whenua following tikanga Māori, and provision of tikanga and language support from Council's Māori Relationships Team.*
- » *Provide culturally competent staff support to help representatives of tāngata whenua entities and communities to interact with Council staff and understand Council processes.*
- » *Continue to provide grants for developing or updating Iwi/Hapū Environmental Management Plans.*
- » *Maintain and continuously update Council's Māori contact database to facilitate Council's interaction with Māori entities and communities.*
- » *Distribute copies of resource consent applications lodged with Council to marae, hapū and iwi entities that may have an interest in the applications or that represent tāngata whenua who may potentially be affected by those consents.*
- » *Provide regular opportunities for Māori leaders, technicians, and kaitiaki in the region to learn about legislation, policies, regulations, plans and rules that may be relevant to them.*
- » *Provide opportunities for Māori businesses and experts in accordance with Council's Māori services procurement policy.*

Significance and engagement policy

Council makes decisions every day, ranging from day-to-day matters to those with a very high level of importance, impact, or public interest. This policy sets out when and how our communities can expect to be engaged in our decision-making processes¹

The policy:

- » tells our community **when and how we will engage** with them on a matter or proposal; and
- » provides us with a tool for defining **what is significant**² helping to determine where a greater level of community engagement will result in better decision making.

In this policy we use the following Māori terms:

Kaitiaki	Tāngata whenua who carry out kaitiakitanga
Kaitiakitanga	The implementation by tāngata whenua of the responsibilities and kaupapa passed down from their ancestors to take care of the places, natural resources and other taonga (valued material and non-material assets) in their rohe, and the mauri (essential life force) which exists within them
Kaupapa	Plan, purpose, strategy, method or fundamental principle
Mana whenua	Territorial rights, authority or jurisdiction over land or territory; power associated with possession and occupation of tribal land
Rohe	Region, area or territory; also the geographical territory of an iwi or hapū
Takiwā	District or area; place or territory used by or associated with an iwi, hapū or whānau
Wāhi tapu	Special or sacred place or site

Our approach to community engagement

Community engagement means connecting with other people in a decision-making process, to share ideas and build understanding. It involves a range of different approaches.

We are elected to make decisions on your behalf, however, when we're engaging communities, or deciding the extent of engagement, we will be guided by the following principles:

- » seek community views on significant matters, to ensure we have enough information to make our decisions;
- » give you the information you need to be involved;
- » listen to your views and consider them with an open mind;
- » continue to improve how we engage with Māori and enable input into our decisions;
- » target our engagement to those directly affected or interested in the decision;
- » do our best to provide opportunities for you to present your views in a way that suits you;

¹ This policy is intended to meet the requirements of the Local Government Act 2002 (Section 76AA) for a Significance and Engagement Policy

² Significance (as defined by the Local Government Act 2002) means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for: (a) The district or region; (b) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter; (c) The capacity of the local authority to perform its role, and the financial and other costs of doing so

- » let you know what decisions we make and why;
- » continue to improve how we engage with you.

When and how we will engage

Different levels of community engagement will be used in different situations. Sometimes we already have a good understanding of community views and preferences, but at other times we may need more information. Wherever possible, we will endeavour to engage with communities on their turf, and at a time that best meets their needs, to make it as simple as we can for them to have their say.

Consulting

We will **consult** when we are required to by law, when a proposal is considered significant (as defined later in this policy) and when we need more information on options for responding to an issue.

When we **consult**, we will make information about the issue or proposal available to the relevant communities, present options where relevant, tell them how our process works, and how they can provide feedback. We will offer an opportunity to talk to councillors, or independent commissioners, face-to-face. We will collect information and feedback on the proposal or issue from our communities and use this to guide decision-making. This will often follow a formal process set out in legislation.

Involving and collaborating

We will **involve or collaborate** with our communities in decision-making when we need more information on community views to fully understand an issue and develop a proposal for dealing with that issue, or where we can be more effective and efficient in achieving our priorities through working with others.

When we **involve or collaborate**, we will invite our communities to share their thoughts, ideas and aspirations. This will guide our decision-making, and in some cases help us to decide if we need to consult. We'll also work with already-established groups to achieve shared goals.

Informing

We will **inform** our communities about decisions made when we believe that there is some interest in the decision and/or people may be affected by the decision, but that further engagement is not warranted.

When we **inform**, we will let you know what we have decided to do, from where you can find out more information, and who to talk to if you have questions; and we will advise you of any timeframes that might be relevant.

No engagement

When there is a need for confidentiality or the matters concern internal operational issues, we won't engage. In this case we will follow all procedures required by law to ensure that decisions are made in a lawful way.

We will always consider

- » The likely impact on, and consequences for, the environmental, social, cultural and economic wellbeing of the region;
- » Who is affected by or likely to have an interest in or to want to be involved in decision making on the issue; and what we know about their preferences for engagement;
- » The importance of the matter to us as the council, as well as to those affected;
- » The impact on Māori and their relationship with ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga;
- » The role of Māori as kaitiaki in their rohe;
- » How to engage Māori in a way that is meaningful and appropriate to them;
- » What we already know about community views;
- » The circumstances in which the issue has arisen;
- » Options, benefits and costs (current and future);
- » The extent to which options will achieve or promote council objectives;
- » The extent to which any costs outweigh the benefits of engagement methods;
- » The impact on council's capability to fulfil its statutory responsibilities;
- » The likely impact on service delivery, levels of service or any of council's strategic assets;
- » The degree of information / research required to inform decision-making;
- » How we'll inform you of the final outcome of the decision or issue.

Defining which issues and decisions are significant

Distinguishing which decisions are significant, and which are not, is not always black and white. The significance of an issue, proposal, asset, decision or activity (referred to in this document as a "matter") lies somewhere on a continuum from low to high, and its significance will influence the level of engagement that council undertakes.

We will consider the significance of each matter on a case-by-case basis. When considering whether any matter is significant, we will consider a combination of factors as detailed in the following table:

What the matter being considered involves	Degree of significance	What this means
Rates Setting a new rate; or Increasing an existing specific targeted rate; or Increasing an existing region-wide targeted rate by more than 2% (annually) above that previously approved in the most recent Long Term Plan	SIGNIFICANT	We will consult with our communities
Assets The transfer, replacement or abandonment of a strategic asset	SIGNIFICANT	We will consult with our communities
Level of Service A proposal to begin a new activity or cease an existing activity Activities as set out in the 'Groups of activities' section of the Long Term Plan 2024-2034	SIGNIFICANT	We will consult with our communities
Legislation A legislative requirement to consult	SIGNIFICANT	We will consult with our communities
Thresholds The matter triggers two or more of the following thresholds: <ul style="list-style-type: none"> » Is substantially inconsistent with existing policies, strategies or decisions » Incurs high capital or operational expenditure, or a financial transaction, with a value greater than \$1.3M³ » Large divisions in community interest or high levels of prior public interest » The decision is irreversible, has a high degree of risk, or significance of the decision is largely unknown » The decision has a large impact on a moderate number of people or a moderate impact on a large number of people.⁴ » An increase in emissions, or failure to demonstrate adaptation to climate change (e.g. building new facilities in a coastal hazard or flood zone) 	LIKELY TO BE SIGNIFICANT	We will determine the best approach, which may be to: <ul style="list-style-type: none"> » consult » involve/collaborate » inform
Iwi and hapū The matter materially impacts on iwi or hapū with mana whenua, or exercising kaitiakitanga (guardianship) in the rohe/region or takiwā/area.	LIKELY TO BE SIGNIFICANT	We will determine the best approach, which may be to: <ul style="list-style-type: none"> » consult » involve/collaborate » inform⁵
Everyday operations The matter is part of normal day-to-day operations of council or is provided for in the Long Term Plan or Annual Plan.	NOT SIGNIFICANT	We will follow usual decision-making procedures

3 This limit covers a single issue, asset or matter, as well as a package of the same, aligned to deliver a single outcome or objective. This limit does not apply to expenditure funded from the Investment and Growth Reserve, Regional Projects Reserve, Regional Economic Development Reserve, or changes to the council's investment portfolio. Note that these investments will need to meet the criteria of council's Investment Policy, pursuant to section 102 of the Local Government Act.

4 As a guide: a moderate number of people is considered to be 4000-8000, and a large number of people is considered to be greater than 8000

5 Determination of best approach is to occur in consultation with council's Māori Relationships Team in the first instance. Consideration about whether and how to inform, engage or consult with potentially affected iwi or hapū may include: the involvement of the Te Taitokerau Māori Advisory Committee and/or Te Kahu o Taonui Iwi Collective, existing memorandums of understanding with specific hapū or iwi, Mana Whakahono ā Rohe (iwi or hapū participation arrangements), and Iwi and Hapū Environmental Management Plans that have been lodged with council and recognised by an iwi authority.

Every report to the council or decision-making body will include an assessment of the significance of the matter, the degree of engagement proposed, the engagement plan proposed and a clear recommendation.

Strategic assets

A strategic asset (as defined by the Local Government Act 2002) means an asset or group of assets that the local authority needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.

The Northland Regional Council's strategic assets as defined in this policy are:

- » its interests in Marsden Maritime Holdings Ltd and the Northport shares held by Marsden Maritime Holding Ltd.
- » the Awanui river scheme;
- » Hopua te Nihotetea (the Kotuku Street Dam in the Whangārei urban rivers scheme) and the land which the dam structure occupies;
- » the Kāeo stopbank scheme;
- » the Panguru flood scheme;
- » other river scheme assets as they are constructed.

A decision to transfer the ownership or control of a strategic asset to or from the regional council can only be taken if it has been provided for in its Long Term Plan and, therefore, will be the subject of the Local Government special consultative procedure.

Reviewing this policy

Council intends to review this policy every three years as part of its Long Term Plan process.

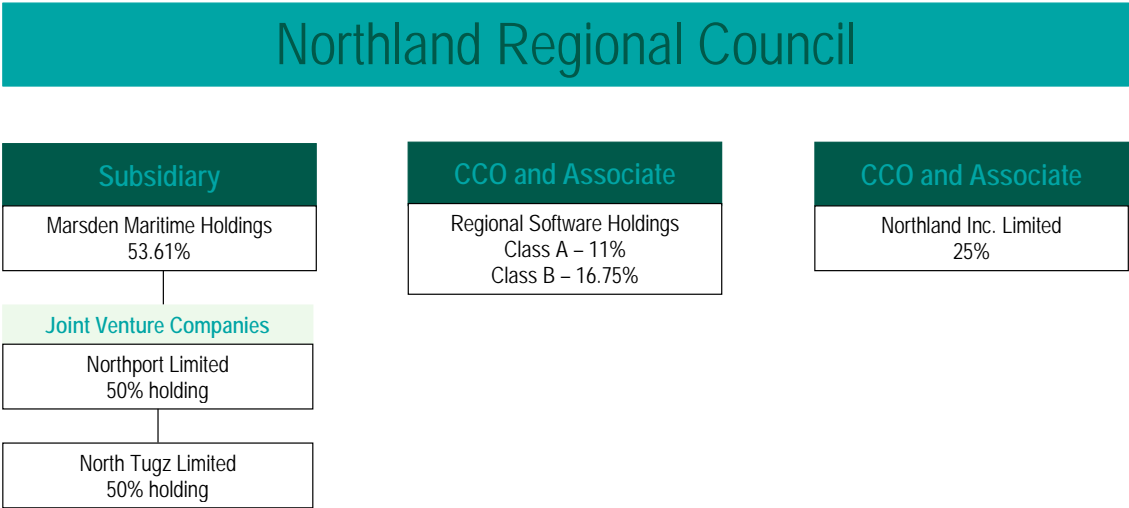
Ngā rōpū e tūhonongia ana ki te Kaunihera

Related organisations



Group structure

Ehara taku toa, i te toa takitahi engari he toa takitini
Success is not the work of one but the work of many



A council-controlled organisation (CCO) is a company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers. A council-controlled trading organisation (CCTO) is a company or organisation that operates a trading operation for the purpose of making a profit.

CCOs and CCTOs are required to complete a Statement of Intent and report against their policies, objectives and performance in their annual reports unless an exemption has been granted.

This section provides the information required under the Local Government Act 2002 for Northland Inc Limited and Regional Software Holdings Limited. Marsden Maritime Holdings Limited is also a subsidiary organisation but is exempt from the CCO provisions of the Local Government Act 2002 and is not required to publish a Statement of Intent.

Council-controlled organisations

Council has two council-controlled organisations: Northland Inc Limited and Regional Software Holdings Limited.

Northland Inc Limited

About this council-controlled organisation (CCO)

Northland Inc Limited, established in July 2012, is the region’s economic development agency and regional tourism organisation. Prior to 1 July 2021, it was 100% owned by Northland Regional Council (NRC). On 1 July 2021, it became jointly owned by NRC, Kaipara District Council and Far North District Council. Following public consultation as part of their Long Term Plan 2024-2034 consultation process, Whangarei District Council agreed to also become a joint owner of Northland Inc effective July 2024. Each council (together referred to as the shareholder councils) holds an equal shareholding in Northland Inc.

A joint committee has been established to co-ordinate the responsibilities, duties and powers of councils as shareholders of Northland Inc. Furthermore, all four councils have committed to an annual level of funding for economic development in their Long Term Plans

2024–2034, which will be transferred into, and subsequently allocated from, Northland Regional Council’s Investment and Growth Reserve.

Northland Inc is primarily funded by an operational contribution from the Investment and Growth Reserve. It is project-funded through other public and private agencies, with central government being the next largest contributor. The organisation has a governance board of professional directors, each appointed on a fixed-term basis by the shareholder councils. Operational activity is led by a chief executive officer.

Objectives and activities

The mission of Northland Inc Limited is to make a purposeful economic development impact that builds resilience and improves the prosperity, wellness and equity of Te Tai Tokerau Northland. To achieve this, three priority areas and six enabling activities are undertaken. The six enablers are part of the ‘BAU’ of Northland Inc and support (‘enable’) their activities over a range of sectors and initiatives.

Strategic priority 1 – Investment and Infrastructure

Objective	Activities
Grow investment and business support services such that regional economic activity improves consistently year on year.	<div>» Credible and proactive in the region linking projects with private investment, councils and government & assisting to de-risk key projects</div> <div>» Leverage the Investment and Growth Reserve to increase investment into Te Tai Tokerau Northland</div> <div>» Actively support and facilitate investment in strategic sectors (Aquaculture, Agriculture and Horticulture, Digital, Tourism, Ship and Boat Building and Repair Services) in Te Tai Tokerau Northland</div> <div>» Support and facilitate the development of new and enabling infrastructure such as renewable energy, digital connectivity, roads, rail, and water</div> <div>» Connected with investment providers into the region to help direct investment to the most impactful projects</div> <div>» Credible and proactive voice for the region that is informing Government funding options and influencing priorities</div> <div>» Well informed on infrastructure challenges and opportunities in Te Tai Tokerau Northland</div> <div>» Strongly connected at both regional and national levels, joining the dots to ensure equitable investment in infrastructure</div>

Strategic priority 2 – The Primary Sector (Tuputupu Grow Northland)

Objective	Activities
Support and facilitate adaptation and innovation in Northland's primary and associated manufacturing sectors to ensure the people and environment of Te Tai Tokerau can thrive into the future.	<ul style="list-style-type: none"> » Facilitate adaptation and innovation in Northland's primary sector around land use optimisation through to commercialising new agri-business opportunities for domestic and export markets. » Facilitate and enable proposals for commercialisation and value-added manufacturing investment locally » Support the Ngawha Innovation and Enterprise Park » Collaborative engagements across - central and local government, national and regionally based sector organisations; landowners and supply chain enablers » Advocate for world class food and fibre businesses to be based in and grow out of Te Tai Tokerau Northland

Strategic priority 3 – Tourism and Destination Management

Objectives	Activities
<p>Support Te Tai Tokerau Northland's visitor industry through delivery of destination management and marketing activity that aims to better manage the impacts of visitation, improve distribution of benefits and enhance the region's heritage, and culture.</p> <p>Position Te Tai Tokerau Northland within target markets as a desirable place to visit.</p>	<ul style="list-style-type: none"> » Lead the Destination Management Plan (DMP) in partnership with relevant stakeholders, industry, iwi and hapū » Facilitate regional investment through sector collaboration groups, marketing the region nationally and internationally, and providing targeted business support for tourism operators » Play a key role in attracting direct investment into the region for infrastructure to support tourism and support the development of sustainable pathways for businesses operating in the region » Honour dual heritage and Māori story telling traditions by supporting stories told by those who have the right to tell them. A strong partnership approach with iwi, hapu, Māori tourism operators and landowners are the basis for growing this portion of the market » Improve regional dispersal, length of stay, expenditure, and the appeal of off-peak travel particularly through leverage of the Twin Coast Discovery programme as a region wide development framework for tourism » Co-ordinate, and where appropriate, lead the implementation of an Annual Regional Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations and in partnership with the Te Tai Tokerau Northland tourism sector

Enabler 1 – Innovation and Enterprise

Objective	Activities
Support SME's and Start Ups who want to start or grow their business in Te Tai Tokerau Northland.	<ul style="list-style-type: none"> » Work with government and other stakeholders to deliver funding, innovation, R&D and business support programmes into Te Tai Tokerau Northland » Contribute towards Te Tai Tokerau Northland's journey towards a more innovative, digital and technologically advanced environment that supports our core and developing industries » Deliver business advice effectively across the region to support innovation, capacity and capability development through incubation services and the Regional Business Partnership, New Zealand Trade & Enterprise, Callaghan Innovation and Business Mentors New Zealand » Develop clusters, business networks or associations to take advantage of market development opportunities that leverage Te Tai Tokerau Northland's key sectors and comparative advantages » Build and sharing specialist knowledge through a business events programme and providing opportunities to access a range of capital support mechanisms for Te Tai Tokerau Northland businesses

Enabler 2 – Advocacy and Brand

Objectives	Activities
Advocate for Te Tai Tokerau Northland to improve the economic well-being of the region, helping to support strong communities and environmental sustainability.	» Northland Inc is proactive and well informed on both the challenges and opportunities in Te Tai Tokerau Northland and is acknowledged as regional leader in impactful economic development
Develop and improve the profile of economic development and of Northland Inc to ensure that Te Tai Tokerau Northland understands and values the efforts of Northland Inc.	» A respected voice for the region and a credible source for central and local government to understand the regional context and to prioritise investment, policy settings and decisions on key economic opportunities
	» Uses powerful communications and a well-connected network to improve the reputation and visibility of the region while advocating for its needs
	» Leads the implementation of the regions long-term Economic Development Strategy for Te Tai Tokerau Northland (Te Rerenga)
	» Provides economic development intelligence and insights
	» Assists with project management and delivery of economic response activities

Enabler 3 – Māori Economic Development (“Āe Mārika”!)

Objective	Activities
Assist strategic partners in the Māori economic development economy with their high impact Māori economic development projects across all levels, with a specific focus on improving capacity and capability of those with whom we partner with for delivery.	» Support tangata whenua to develop and implement their own visions and economic development plans
	» Partner with Māori organisations to deliver services to Māori businesses
	» Connect into existing local and national Māori economic development activity and strategies that will support Te Tai Tokerau Northland
	» Engage and partner with iwi, hapū, marae and the Māori community, central government agencies and other entities supporting Māori economic development to advance their aspirations in economic development and enable investment, business growth and completion of economic development projects
	» Work with, advocate for and support Māori businesses, trusts and entities with their aspirations for growth
	» Build a competent team (Northland Inc and partners) that operates as Te Tiriti based partners to support iwi, hapu, whānau and pakihi in achieving their economic development goals
	» Engage with MBIE on the continual improvement of the RBP delivery into the Māori economy

Enabler 4 – Environmental Sustainability

Objective	Activities
Help Te Tai Tokerau Northland businesses achieve environmental sustainability, particularly by reducing their emissions, through partnerships that provide support and practical programmes.	» Support Te Tai Tokerau Northland businesses to meet climate adaptation targets set by central government through access to appropriate information and tools
	» Partner to provide support to Northland businesses with practical programmes
	» Use an environmental sustainability focus for all active projects
	» Assessing the environmental aspirations of businesses and projects
	» Utilise Te Ao Māori/Mātauranga Māori in environment/ sustainability kaupapa
	» Have environmentally sustainable business practices within Northland Inc

Enabler 5 – Partnerships

Objective	Activities
Develop and nurture high trust partnerships across the region with those who have the capability to positively impact economic development outcomes across Te Tai Tokerau Northland.	» Develop and maintain high trust partnerships with stakeholders who impact economic development outcomes across Te Tai Tokerau Northland

- » Northland Inc is embedded within a network of relationships that bring capabilities and contributions to key projects with shared interests
- » Partnership activity spread across central government, local government, business communities, investors and other stakeholders

Enabler 6 – Organisational Culture and Capability

Objective	Activities
Uphold an internal culture where our team are respectful and supportive of one another; our histories, our whānau, and our aspirations.	<ul style="list-style-type: none"> » Have quality resource that supports capability uplift in staff skills » Capability to deploy impact or surge capacity in times of crisis or emergency response and have a strong network of operational partners that can activate as opportunity or needs arise » Well-connected across the region; understands our local economy and employs highly skilled networked people » Attract, retain and grow appropriate talent aligned to our culture and capability needs » Culture of being performance and outcome driven, encouraging professional development, and personal wellbeing

Key performance measures¹

Strategic priority 1 – Investment and Infrastructure

How we will measure	2024/25	2025/26	2026/27
Number of inward delegations hosted	3	3	3
Number of high impact projects that are implemented (reporting by regional strategic sectors)	4	4	4

Strategic priority 2 – The Primary Sector (Tuputupu Grow Northland)

How we will measure	2024/25	2025/26	2026/27
Projects assisted through stages of growth	6	6	6
Number of meaningful engagements and relationships with landowners, businesses, stakeholder that lead to and support positive outcomes	88	88	88
Number of businesses and landowners that as a result of engagement are exploring, developing, leading and delivering on change activity	24	24	24

Strategic priority 3 – Tourism and Destination Management

How we will measure	2024/25	2025/26	2026/27
Number of destination promotion campaign initiatives to generate national exposure to the region (reporting will include number of businesses that are engaged in the campaign)	1	1	1
Number of Destination Management Plan initiatives completed in partnership with stakeholders	6	7	8

Enabler 1 – Innovation and Enterprise

How we will measure	2024/25	2025/26	2026/27
Number of businesses engagements assisted (includes both one-to-one and one-to-some assistance and reporting by TA and industry)	250	250	250
Proportion of those businesses assisted that are Māori (by TA and industry)	35%	35%	40%
Client satisfaction with businesses assistance provided by Northland Inc as measured by Net Promotor Score	NPS>50	NPS>50	NPS>50

¹ Key performance measures are not specifically set for Enablers 5 and 6 as these are covered by KPIS for other areas.

Enabler 2 – Advocacy and Brand

How we will measure	2024/25	2025/26	2026/27
Number of regional economic development updates or reports released	6	6	6
Number of media features that profile the region	24	24	24
Number of media activity that references Northland Inc	52	52	52

Enabler 3 – Māori Economic Development (“Āe Mārika”!)

How we will measure	2024/25	2025/26	2026/27
Number of iwi/hapū groups and other Māori organisations, e.g. marae, land trusts, etc. actively supported	18	20	22
Proportion of Māori organisations that are satisfied with Northland Inc support	>80%	>85%	>90%

Enabler 4 – Environmental Sustainability

How we will measure	2024/25	2025/26	2026/27
Number of businesses and organisations supported to improve their environmental sustainability	20	30	40
Number of Northland businesses taking action to reduce their emissions	20	30	40
Number of Northland businesses supported to meet climate adaptation targets set by central government	20	30	40

Regional Software Holdings Limited

RSHL is the Shared Services organisation of Te Uru Kahika.² All 16 Regional and Unitary Councils in New Zealand are customers of RSHL.

RSHL delivers a wide range of Digital, Operational and Financial programmes, on behalf of Te Uru Kahika, and participating councils.

Recently RSHL has taken a leap forward towards the vision of providing high-quality shared services for Te Uru Kahika (and associated agencies) that delivers value to customers, shareholders and the sector.

Financially the company is in a sound position as planned. It's revenue comes from licence charges and fees. The company does not trade to make a profit; it charges to cover its planned level of expenditure.

The Integrated Regional Information System (IRIS) programme is RSHLs longest running programme. The six member councils developed a software solution (IRIS) for regional council specific functions. Hawkes Bay Regional Council also uses IRIS. The programme has been in place for over 10 years and has been a remarkable success. Overall, it is expected that the IRIS Activity will continue to operate slightly favourable to budget and with reduced member contributions as the product is managing into retirement.

In 2023 the IRIS NextGen Partnership agreement was signed by RSHL and 9 councils. IRIS NextGen will provide the replacement for the IRIS product in use at 7 councils but has a bigger goal of delivering game-changing productivity improvements to the sector, achieved through alignment around consistent good practice processes, supported by fit for purpose software. The development of good-practice processes and the build of the underpinning software product are progressing to plan and preparations are underway for the pilot implementation at Otago Regional Council.

RSHL also operates the Sector Financial Management System (SFMS) on behalf of Te Uru Kahika. Under this agreement, RSHL supports a range of sector work programmes and projects. RSHL manages funding collected from the sector to support shared sector activities, as well and providing project management support.

The Sector Financial Management System allows RSHL to further achieve its vision “To provide a high-quality shared service for the regional council sector (and associated agencies) that delivers value to customers, shareholders and the sector.”

RSHL continues to extend the services and value it provides to Te Uru Kahika.

Funding for SFMS has also been provided by central government in support of work in the Essential Freshwater Programme, EMAR, iwi capability building and spatial projects. This investment from central government is an endorsement of the work of Te Uru Kahika, as well as the operating model that RSHL provides to the sector.

Te Uru Kahika is a local government success story that will continue to evolve and grow. RSHL and the shareholding councils can be proud of the role that we are playing in enabling this success.

The shareholding of the Company as at 30 June 2024 is as follows.

Shareholding

Organisation	Class A (Control) Shares	Class B (IRIS) Shares
Waikato Regional Council	1	3,275
Northland Regional Council	1	1,675
Horizons Regional Council	1	1,550
Taranaki Regional Council	1	1,550
Southland Regional Council	1	1,550
West Coast Regional Council	1	400
Bay of Plenty Regional Council	1	
Gisborne District Council	1	
Hawkes Bay Regional Council	1	
Otago Regional Council	1	

Our council's experience

For Northland, the increasing focus on collaboration to projects continues to bring together the best ideas, practices and experiences into solutions that are fit for purpose, perform well and achieve more through working together for the sector.

Statement of Intent and performance targets

Performance measures are incorporated in to RSHLs Statement of Intent. This is expected to be available early in the 2024/25 financial year. All Statements of Intent can be found on RSHLs website: <https://rshl.co.nz/>

2 Te Uru Kahika is the collective of the 16 regional councils and unitary authorities that make up the regional sector.

Subsidiary organisations

Marsden Maritime Holdings Limited

Northland Regional Council owns 53.61% (22.1 million shares) of the issued capital of Marsden Maritime Holdings Limited, which is presently 41,300,651 ordinary shares of 35 cents each. The balance of shares is held by the public and Ports of Auckland, and all shares are listed on the New Zealand Stock Exchange.

The council reviews its shareholding in Marsden Holdings Limited and the Northport shares held by it during the triennial review of its strategic plan.

As a listed company, Marsden Maritime Holdings Limited is not required to publish a statement of corporate intent nor provide budget estimates to the council, its major shareholder. The corporation is exempt from the council-controlled organisations provisions of the Local Government Act 2002.

Tō ngā kaiarotake whakaaro

The auditors' opinion





Independent Auditor's Report on Northland Regional Council's 2024-34 Long-Term Plan

I am the Auditor-General's appointed auditor for Northland Regional Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Deloitte Limited. We completed our report on 25 June 2024.

Opinion

In our opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 147 to 149 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;

- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In addition to this audit and our report on the Council's 2023/24 annual report, we have carried out engagements with respect to a limited assurance report pursuant to the Council's Trust Deed and maintenance of the register of security stock. We have also performed an agreed upon procedures report in relation to the Kaipara Moana Remediation project, and a review of certain rates revenue collection processes and controls, which are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the Council or any of its subsidiaries.



Bennie Greyling,
Deloitte Limited
On behalf of the Auditor-General, Auckland, New Zealand
25 June 2024

Northland Regional Council
0800 002 004
info@nrc.govt.nz
nrc.govt.nz/futureplan