

# MAHERE-A-TAU 2023/24 ANNUAL PLAN 2023/24



Supporting information document

March 2023



# Ihirangi

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# Nau mai

## Welcome

**Toitū te Whenua**

**If the land is well**

**Toitū te Moana**

**If the sea is well**

**Toitū te Tangata**

**The people will thrive**

## Nau mai, haere mai! Welcome to our annual plan process.

This supporting information document is part of the process for developing our Mahere-Ā-Tau | Annual Plan 2023/24. In here, you'll find details on changes we are proposing to make from Te Mahere Roa | Long Term Plan 2021-2031.

We adopted Te Mahere Roa | Long Term Plan 2021-2031 in June 2021, as our roadmap for the following 10 years. The plan supported council's strategic direction and work across six key community outcomes. These outcomes and what we want to achieve are set out in our strategic direction document 'Te Pae Tawhiti: Our vision', which you can find on our website: [nrc.govt.nz/TePaeTawhiti](https://nrc.govt.nz/TePaeTawhiti)

This annual plan reviews the third year of Te Mahere Roa | Long Term Plan 2021-2031. Annual plans offer an opportunity to respond to real-time challenges that arise as we progress our work, and year-to-year fluctuations that are a natural part of financial planning. We will be carrying out a full strategic review of all of our activities and developing a fresh long term plan for 2024-2034 next year.

We work hard to be as efficient as possible in the face of change, and to absorb as much of the unforeseen inflationary and interest increases as we can. But it's important to talk to you whenever we are making changes that have the potential to impact on our communities and, importantly, your rates bill.

This supporting information document is presented in two sections:

- » **Katete | Moving forward** - this tells you a bit about what we said we would do in Te Mahere Roa | Long Term Plan 2021-2031, council's strategic direction, and what we are looking at changing as part of this annual plan process.
- » **Mahere a Pūtea | Finances** - this has all of the financial information that you need, such as our funding impact statements and rating examples, so that you can understand what rate changes mean for the region, and for you. These figures are accurate at the time of consultation and will be updated by the time the final plan is adopted as we fine-tune and respond to council decisions.

Along with this supporting information document, we have also put together a consultation document, which is a simple guide to the changes that are planned for the 2023/24 financial year. You can find this, and other related information, on our website: [nrc.govt.nz/annualplan2023](https://nrc.govt.nz/annualplan2023)

## Tukua Mai ōu whakaaro | Tell us what you think

We rely on our communities to get involved with the decisions we need to make. You can do this online at [nrc.govt.nz/annualplan2023](https://nrc.govt.nz/annualplan2023), or by picking up a hard copy form from one of our service centres and dropping it back to us.

**The feedback period closes on Friday 21 April 2023, so make sure you have everything to us by then!**

If you want to talk to a councillor about what we are planning to do, we have set aside a day for this. You'll need to register first though, so please give us a call on 0800 002 004 or email [robynb@nrc.govt.nz](mailto:robynb@nrc.govt.nz) by **Thursday 30 March** to arrange a time.

Thank you for getting involved in the future of our incredible region!

Hei kona mai



*Oruaiti Primary School*



# Katete

Moving forward



# Te Mahere Roa 2021-2031

## Long Term Plan 2021-2031

Te Mahere Roa | Long Term Plan 2021-2031 represented our three-yearly review of council activities. It was developed in response to the views of our communities, legislative changes from central government, and work we know needs to be done to achieve environmental, social, economic and cultural wellbeing, building on our vision: “Ka whai hua tātou – tō tātou Te Taitokerau | Our Northland – together we thrive”.

Our vision and mission are underpinned in Te Mahere Roa | Long Term Plan 2021-2031 by six key areas of focus across our activities, as set out in the diagram on the following page.

In developing the plan, we sought to make sure that our mission and areas of focus were supported by adequate funding and a rating structure that would provide the most equitable delivery of services.

We grouped our activities into three key areas: our natural environment, community resilience, and regional leadership. The existing and new work enabled by this funding, along with the continued help of dedicated volunteers, sets our incredible region up to really thrive.

For our **natural environment**, this means continuing with proposals to address water health and help manage our water catchments for the environment and for our people; developing and implementing a regional biodiversity strategy and action plan; continuing to manage pest plants and animals so that our native flora and fauna can flourish; and boosting important marine biosecurity work.

For **community resilience**, this means continuing with proposed new flood works to help protect Kaitaia, Otiria-Moerewa and Kawakawa, and Tarewa Road in Whangārei central; upgrading our tsunami warning system; and building a multi-agency emergency coordination centre for the region. We are also continuing with plans to coordinate a strategy to address climate change resilience in Te Taitokerau Northland; to improve water poverty and water resilience; to improve harbour safety and navigation issues; and to increase our CityLink public transport services.

For **regional leadership**, this means continuing with plans to create meaningful partnerships with Māori with increased cultural competency; providing support to iwi/hapū to build capacity and capability; and supporting the 'behind the scenes' work we do here at council.

Te Mahere Roa | Long Term Plan 2021-2031 identified new work to be carried out, and also set out how we will measure our performance in each of our activities. We report on our performance each year in our Pūrongo ā Tau | Annual Report, adopted by council every October.

More on our vision for Te Taitokerau Northland, encompassing our three, 10, and 30-year goals, is set out in 'Te Pae Tawhiti: Our vision', which you can find on our website: [nrc.govt.nz/TePaeTawhiti](http://nrc.govt.nz/TePaeTawhiti)





# Te mahere rautaki a te Kaunihera

## Council's strategic direction

### VISION

Our Northland –  
together we thrive

Tō tātou Taitokerau –  
ka whai hua tātou

### MISSION

Working together to create  
a healthy environment,  
strong economy and  
resilient communities

#### Healthy waters for the environment and our people

The fresh and coastal waters  
of Te Taitokerau are clean and  
abundant, supporting a healthy  
environment and the needs of  
our people.

#### Safe and effective transport networks connecting our region

Transport networks are safe,  
well organised and increasingly  
low emission, connecting  
communities and supporting  
our regional economy.

#### Resilient, adaptable communities in a changing climate

Communities are well prepared  
for the growing effects of climate  
change and the hazards our region  
faces, such as droughts and floods.

#### Meaningful partnerships with tangata whenua

Strong outcomes for Māori  
through enduring relationships  
between iwi/hapū and council.

#### Protected and flourishing native life

The incredible array of  
native taonga in Te Taitokerau  
is treasured and protected,  
on land and in the water.

#### A strong and sustainable regional economy

A sustainable economy,  
supporting a healthy  
standard of living and  
wellbeing in Te Taitokerau.



# He aha ngā rerekētanga

## What's changing?

### Overview of proposed changes

Our Mahere-ā-Tau | Annual Plan 2023/24 is the final step in the three yearly corporate planning cycle, following on from the Mahere-ā-Tau | Annual Plan 2022/23 that slightly adjusted the budgets set in Te Mahere Roa | Long Term Plan 2021-2031. It's our chance to seek your feedback on the changes we are proposing to make to our activities and budget.

In this annual plan, we are proposing new investment to ensure we continue to deliver a high level of service while we navigate and respond to significant change, additional funding for Tāiki ē – our plan for implementing our commitments to Te Tiriti o Waitangi (adopted July 2022), and further investment in delivery of our regulatory services and implementation of the National Policy Statement for Freshwater Management.

As outlined in the previous section, Te Mahere Roa | Long Term Plan 2021-2031 set the direction and funding for a lot of work across the region. Ex-tropical Cyclone Gabrielle has severely impacted Te Taitokerau, and now more than ever we need to keep building resilience and supporting our communities through regional emergency management and recovery, flood risk reduction and climate change adaption.

Meanwhile, our other critical work continues on freshwater health, protecting our native habitats, developing enduring relationships with hapū and iwi, delivering on our commitments to our communities, and leveraging central government funding for the benefit of our region.

Keeping up momentum in our work is critical to improving Northland's environment, meeting our statutory obligations as a council, and supporting mana whenua and communities to adapt to the effects of climate change.

However, the world is always changing and we are acutely aware of the need to strike the right balance – continuing to move forward, while recognising the pressures the region is facing.

We are seeking some additional funding that affect our **Corporate services, Māori partnerships, Consents, and Compliance monitoring** activities.

On the following pages you will find details of proposed changes for the 2023/24 year (our 'preferred option') along with options to stick to the original plan or to do even more than what we are proposing.

We are proposing increases in spending across three key areas:

### Navigating a changing landscape

- » Enhanced remuneration
- » Recruitment officer
- » Increased audit fees
- » Service desk support officer
- » Technology upgrades
- » Costs associated with new staff coming on board

### Tāiki ē: Coming together to get the mahi done

- » Increased non-elected member payment
- » Te Tiriti capacity and capability building
- » Two Māori relationships team officers

### Boosting environmental management

- » Consents officer
- » Environmental monitoring officer

You can find out more about our activities, including budgets and how we measure our performance, in our **Long Term Plan 2021-2031**

# Details of proposed changes

The majority of our proposed new investment is operational spend, with two new areas of capital spend (which does not have a direct impact on rates). We have grouped the proposed investment into three key areas.

## Navigating a changing landscape

### Enhanced remuneration

*\$750,000 of ongoing operational expenditure*

We are facing a highly competitive market for staff, our most valuable asset without whom the important mahi (work) can't be done. Our staff salaries, which have always been lower than comparative councils, will fall even further behind with the effects of inflation.

To deliver on the important work we have committed to, we need to attract and retain skilled and committed people across our team. We are proposing to lift the yearly remuneration and recruitment budget to help that.

**The \$750,000 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Recruitment officer

*\$83,000 of ongoing operational expenditure*

Efficient and consistent recruitment is essential to the smooth running of our organisation and the onboarding of new staff. We have recently appointed a recruitment officer in a bid to move to a centralised recruitment process, and this proposal supports the ongoing retention of this position and associated costs.

**The \$83,000 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Increased audit fees

*\$56,500 of ongoing operational expenditure*

Council is subject to statutory audit, which Deloitte carries out on behalf of the Auditor General. The annual audit base fees have increased from \$122,300 to \$178,800 and this proposal seeks to address the additional cost required.

**The \$56,500 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Service desk support officer

*\$94,500 of ongoing operational expenditure*

IT support is fundamental to the operation of any business. We need to invest in improving our information technology service/help desk process to ensure the availability of support is enough to keep up with the growth of the organisation.

**The \$94,500 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Meeting room technology upgrades

*\$91,000 one-off capital expenditure (note this does not have a direct impact on rates) plus \$18,200 of ongoing operational expenditure for depreciation*

Online or virtual meetings have increased significantly in both demand and frequency over the last couple of years. We are proposing a one-off spend to bring the technology in council's meeting rooms, including regional offices, up to a standard to efficiently deliver remote meeting access. This will result in more efficient management of meetings, and a better experience for the community and other external parties needing to use this interface.

**The \$91,000 of capital expenditure required would predominantly be funded from retained earnings with the additional \$18,200 of operational expenditure for depreciation funded from the Council Services Rate.**

### Support for new staff members

*\$8,400 one-off capital expenditure (note this does not have a direct impact on rates) plus \$840 of ongoing operational expenditure for depreciation*

With each new staff member that is employed, there is an associated capital cost that covers things such as desks, chairs, laptops, mobile phones etc. This one-off capital spend covers all six new positions proposed in our 'Make the proposed changes' option below.

**The \$8,400 of capital expenditure required would predominantly be funded from retained earnings with the additional \$840 of operational expenditure for depreciation funded from the Council Services Rate.**

## Tāiki ē: Coming together to get the mahi done

Tāiki ē is our Te Tiriti strategy and implementation plan, which outlines our commitment to a Te Tiriti o Waitangi-based partnership with hapū and iwi.

The kaupapa (principal) of the strategy is about iwi, hapū and council working together to get the mahi (work) done in partnership for the well-being of the taiao (environment). Through these strengthened relationships we can achieve shared outcomes that focus on the well-being of the wai (water) and whenua (land); more specifically, freshwater health, native biodiversity, economic prosperity, climate change resilience and more.

The plan was developed in partnership with iwi and hapū representatives on our Te Taitokerau Māori and Council working party, with a commitment to further refinement in partnership with iwi represented by Te Kahu o Taonui.

Some of the plan's actions are already budgeted, though many will require additional resourcing.

### Increase in non-elected member payment

*\$34,600 of ongoing operational expenditure*

In order to attract and retain the right hapū and iwi expertise, we are proposing to increase the non-elected member's fee. This demonstrates commitment to a Te Tiriti partnership, and the value of the contribution iwi and hapū members make to governance, recognising the time and effort it takes to participate and advise council in decision-making processes.

**The \$34,600 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Te Tiriti capacity and capability building

*\$250,000 of ongoing operational expenditure*

We are proposing to support and build the capacity and capability of tangata whenua to engage in council activities. This engagement includes technical advice on council policies and operational activities, at an operational (not governance) level.

**The \$250,000 of operational expenditure required would predominantly be funded from the Council Services Rate.**

### Māori relationship team officers

*\$215,700 of ongoing operational expenditure*

Council is committed to ensuring Te Tiriti o Waitangi is instilled into the values of our organisation and is fundamental to the way in which council undertakes its roles and responsibilities. We are therefore proposing to

increase the budget assigned to our Māori relationships team to increase its capacity and better align to these priority work areas.

**The \$215,700 of operational expenditure required would predominantly be funded from the Council Services Rate.**

## Boosting environmental management

### Consents officer

*\$56,600 of ongoing operational expenditure (offset by costs recovered through our User Fees and Charges)*

In order to support our consents team to meet the growing demand for consents services due to new freshwater legislation, plus deliver on our Mana Whakahono ā Rohe agreements, we are proposing to employ an additional Consents officer.

**The \$56,600 of operational expenditure required would predominantly be funded from the Land and Freshwater Management Rate.**

### Environmental monitoring officer

*\$56,600 of ongoing operational expenditure (offset by cost recovered through our User Fees and Charges)*

In order to support our compliance monitoring team to meet the growing compliance monitoring responsibilities under new legislation and government directives on freshwater management, we are proposing to employ an additional Environmental monitoring officer.

**The \$56,600 of operational expenditure required would predominantly be funded from the Land and Freshwater Management Rate.**



# What it means for rates

Two years ago, we forecast an average rates increase of \$45 (9.2%) for the 2023/24 year to keep work going and meet Te Mahere Roa | Long Term Plan commitments. This was to fund:

- » Growing our climate change adaptation and community resilience work, and upgrades to the tsunami siren network
- » More biodiversity and biosecurity work, including predator and pest-free work, and kauri dieback
- » More environmental data and monitoring
- » System upgrades to support our mahi
- » Support for on-ground catchment remediation work across the region through our environmental fund
- » An increase in CityLink bus services.

With the recent rapid rise in inflation, everyone is feeling the effects, and as a council we are not immune. Inflation is now nearly double what we had originally budgeted.

To offset inflation impacts and minimise further rates impacts, we have combed the budget for savings and reprioritised work where we can. We are also no longer rating for the Oruku Landing convention centre (we will continue to support it through other avenues), so our original forecasted increase of 9.2% for this year has been reduced to 8.89% and all the following options include this change.

## Heads-up - Otiria-Moerewa floodworks funding

Construction of a spillway to reduce flood risk to Otiria and Moerewa is well underway. However, project costs have increased by \$1.5M (to \$6.6M) since budgeted in 2020. Working with our partners, we have successfully secured more funding; however, a shortfall of \$217,000 remains.

This flood work is too important to stop so we have decided to continue while exploring more options for other funding. If a shortfall remains, we will consult on funding options as part of our next Long Term Plan.

# What are the options?

To keep the mahi (work) going we need to adjust the budget. Here are some options to consider – we want to know what you think:

## Option 01 – Make the proposed changes (our preferred option)

This would mean we could keep up the momentum of our work, and maintain the relationship and trust with our Te Tiriti partners. We could do what we had originally planned, plus:

- » Lift our remuneration and recruitment budget to attract and retain the right skills and people in a changing employment market (about \$830,000 a year)
- » Cover cost increases in audit fees and IT support, and improve our remote meeting technology so we can work more efficiently (about \$270,000 a year)
- » Support actions in our Tāiki ē strategy, which is about iwi, hapū and council working together in partnership for the benefit of the environment (about \$500,300 a year)
- » Boost environmental management capacity with two new positions to support implementation of the National Policy Statement for Freshwater Management (about \$113,000 a year).

**This option is an average rates increase of \$47.30 – that's \$2.30 more than what was already approved under our last Long Term Plan. Our funding from rates would grow by 10.2%, another 1% on top of the 9.2% already approved. The average annual regional council rates bill would be \$560.**

## Option 02 – Stick to the original plan

Doing only what we planned for two years ago would keep the average rates increase at \$40.65 (8.89%) a year. With some re-prioritisation and applying savings where possible, we could also fund within this:

- » Some lift in staff remuneration
- » Tāiki ē – Council, hapū and iwi capacity and capability building.

However, without also making the proposed changes we would struggle to meet our regulatory role of environmental management, risk losing people to get the mahi done, and be less able to honour commitments and support for our Te Tiriti partners.

**This option is an average rates increase of \$40.65 – that's \$4.65 less than what was already approved under our last Long Term Plan. Our funding from rates would grow by 8.9%, that's 0.3% less than the 9.2% already approved. The average annual regional council rates bill would be \$554.**

## Option 03 – Do even more

There is always more we can do. This option would include doing all work set out in options 1 and 2 above, but with even more investment in these core areas, including:

- » Improvements to our IT service desk, increased support for our Enviroschools facilitators by making them staff (not contractors), and increasing the service budget for our lakes surveying (about \$160,000 a year more)
- » Even more internal resource to support Tāiki ē (about \$100,000 a year more)
- » Doubling our environmental monitoring and consent compliance officers – two each instead of one, getting a river engineer (asset management) on board, and getting better high-level data to support compliance work (about \$260,000 more)
- » An extra \$65,000 of capital expenditure on navigation safety information and equipment, and air quality monitoring equipment.

This option is an average rates increase of \$53.50 – that's \$8.50 more than what was already approved under our last Long Term Plan. Our funding from rates would grow by 11.4%, another 2.2% on top of the 9.2% already approved. The average annual regional council rates bill would be \$569.

*Your council wants to know what you think, and are relying on your feedback to help them make this important decision.*

We talk about average rates but rates actually vary a lot depending on where you live and your property value. You'll find rates examples further in this document under the heading "How much will my rates be" to help give you a better steer on how our proposals affect your rates.

We calculate your rates based on land and capital valuations provided to us by each of the district councils, and forecast future valuations provided by Quotable Value (QV). At the time of compiling this supporting information document, this data was undergoing final analysis by QV, and as such will be subject to change before council deliberations and final adoption of the Annual Plan 2023/24. The information presented here is the best available to enable consultation.



# Mahere a Pūtea

Finances



# Te tauākī pānga pūtea

## Funding impact statement

### Northland Regional Council: Funding impact statement (whole of council)

Annual Plan 2022/23 \$(000)		Annual Plan 2023/24 \$(000)	LTP Year 3 2023/24 \$(000)	Variance \$(000)
<b>Sources of operational funding</b>				
-	General Rates, uniform annual general charges, rates penalties	-	-	-
42,795	Targeted rates	47,166	46,688	477
15,559	Grants and subsidies for operating purposes	11,447	8,030	3,417
4,310	Fees Charges	6,841	4,947	1,894
3,709	Interest and dividends from investments	3,741	3,870	(128)
7,802	Local authorities fuel tax, fines, infringement fees and other receipts	8,076	8,528	(453)
<b>74,175</b>	<b>Total sources of operating funding</b>	<b>77,271</b>	<b>72,063</b>	<b>5,207</b>
<b>Applications of operating funding</b>				
66,334	Payments to staff and suppliers	72,701	69,867	2,835
1,102	Finance costs	1,289	1,179	109
-	Other operating funding applications	-	-	-
<b>67,436</b>	<b>Total applications of operating funding</b>	<b>73,990</b>	<b>71,046</b>	<b>2,944</b>
<b>6,739</b>	<b>Surplus/(Deficit) of operating funding</b>	<b>3,281</b>	<b>1,018</b>	<b>2,263</b>
<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-
-	Development and financial contributions	-	-	-
13,596	Increase/(Decrease) in debt	2,859	1,000	1,859
-	Gross proceed from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
<b>13,596</b>	<b>Total sources of capital funding</b>	<b>2,859</b>	<b>1,000</b>	<b>1,859</b>
<b>Applications of capital funding</b>				
<b>Capital expenditure</b>				
-	- To meet additional demands	-	-	-
25,530	- To improve levels of service	7,770	2,670	5,099
3,332	- To replace existing assets	2,175	828	1,347
7,856	Increase/(Decrease) in reserves	1,473	(1,586)	3,059
(16,382)	Increase/(Decrease) in investments	(5,278)	105	(5,384)
<b>20,334</b>	<b>Total Applications of capital funding</b>	<b>6,140</b>	<b>2,018</b>	<b>4,121</b>
<b>(6,739)</b>	<b>Surplus/(Deficit) from capital funding</b>	<b>(3,281)</b>	<b>(1,018)</b>	<b>(2,262)</b>

-	Funding balance	-	-	-
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This statement is GST exclusive. It is required under the Local Government Act 2002 (Schedule 10, Clause 20 ) and conforms to Schedule 2, Form 1 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		Annual Plan	LTP Year 3	Variance
2022/23		2023/24	2023/24	
\$(000)		\$(000)	\$(000)	\$(000)
28,861	Capital expenditure included above not in Comprehensive Revenue and Expense	9,945	3,498	6,447
(16,381)	Investment movements included above not in Comprehensive Revenue and Expense	(5,278)	105	(5,384)
	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	-	-	-
(1)	Property revaluation adjustments included in comprehensive income but not above	-	(100)	100
(13,596)	Proceeds from Borrowings included above not in comprehensive revenue	(2,859)	(1,000)	(1,859)
7,856	Transfers to/(from) special reserves included above not in comprehensive Income	1,473	(1,586)	3,059
	Infrastructure asset revaluation adjustments included in comprehensive income but not above	-	-	-
(2,385)	Depreciation Expense included in Comprehensive Income not above	(2,337)	(2,390)	53
<b>4,354</b>	<b>Total Comprehensive Income per the Statement of Comprehensive Revenue and Expense</b>	<b>944</b>	<b>(1,473)</b>	<b>2,416</b>

# 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 2022/23 Excluding GST \$(000)	Annual Plan 2023/24 \$(000)	LTP Year 3 2023/24 \$(000)	Variance \$(000)
67,436 Operational Expenditure	73,990	71,046	2,944
28,861 Capital Expenditure	9,945	3,498	6,447
<b>96,297 Total Gross Expenditure</b>	<b>83,935</b>	<b>74,544</b>	<b>9,391</b>
<b>Funded By</b>			
12,765 Council services Rate	14,597	14,128	468
10,123 Land and Freshwater Management Rate	11,015	10,650	366
6,508 Pest Management Rate	7,184	6,930	254
2,773 Flood Infrastructure Rate	2,986	3,033	( 48)
3,641 Emergency and Hazard Management Rate	4,120	4,217	( 97)
1,385 Targeted Regional Sporting Facilities Rate	1,385	1,385	-
686 Targeted Regional Economic Development Rate	835	835	-
4,913 Other Targeted Rates	5,043	5,509	( 466)
15,559 Grants and Subsidies	11,447	8,030	3,417
4,310 User Charges	6,841	4,947	1,894
3,201 Rental Income	4,069	3,713	356
167 Interest Income	199	161	38
4,601 Gains Income	3,741	4,550	( 809)
3,542 Dividend Income	3,542	3,708	( 166)
- Forestry Income	266	266	-
13,596 Borrowings	2,859	7,050	( 4,191)
8,527 Cash Reserves from/(to)	3,806	( 4,568)	8,374
<b>96,297 Total Funding</b>	<b>83,935</b>	<b>74,544</b>	<b>9,390</b>

## Types of rates

The amounts of the rates stated include the council's GST obligations (GST Incl.).

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 **\$78,570** to fund the ongoing maintenance of the Hātea River channel.

## How much is the rate?

The estimated total council services rate amounts to **\$16,786,376** for the 2023/24 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	\$164.49	per SUIP
Kaipara	\$183.73	per rating unit
Whangārei	\$177.14	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 \$12,668,032 for the 2023/24 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	10,843,578	15,139,876	\$41.79
Kaipara	6,095,461	7,888,446	\$38.58
Whangārei	20,555,712	19,586,277	\$28.57

## 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 of Section 100T requirements was carried out and considered by council as part of the process of consulting on and adopting the Long Term Plan 2021-2031, and can be found in the rates section of that document. The Council considers that the analysis has not changed for the 2023/24 financial year.

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 \$8,260,989 for the 2023/24 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	\$81.33	per SUIP
Kaipara	\$90.85	per rating unit
Whangārei	\$86.73	per SUIP



## Flood infrastructure rate

### What it funds

This rate will partially or fully fund the development of flood protection infrastructure in communities across Northland that meet specified criteria as approved by the council (as set out in infrastructure strategy included in the Long Term Plan 2021–2031). Targeted rates will be used to fund the portion of flood protection 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 **\$3,432,918** for the 2023/24 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 \$35.46.

## 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 **\$4,737,920** for the 2023/24 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	\$46.65	per SUIP
Kaipara	\$52.10	per rating unit
Whangārei	\$49.74	per SUIP

## Specific targeted rates

The following specific targeted rates are for 2023/24.

### 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 **\$1,593,509** for the 2023/24 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 \$16.46.

#### How is the rate applied?

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

### Emergency services rate

#### What it funds

The council will collect the emergency 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.

#### How it is set

The emergency 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 emergency services rate is **\$1,113,327** for the 2023/24 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 \$11.50.

#### How is the rate applied?

The emergency services rate will be applied to approved recipients.

# 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 \$960,385 for the 2023/24 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	10,843,578	15,139,876	\$3.17
Kaipara	6,095,461	7,888,446	\$2.93
Whangārei	20,555,712	19,586,277	\$2.16

## 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 \$1,972,228 for the 2023/24 financial year. The rate will be set at \$43.30 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 district transport rate is \$319,689 for the 2023/24 financial year. The rate will be set at \$8.78 for each rateable separately used or inhabited part (SUIP) in the Far North district.

### How is the rate applied?

The Far North district 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.

## Note: Oruku Landing fit-out rate

*In Te Mahere Roa / Long Term Plan 2021-2031, the Council approved a grant of \$6 million to the project in 2023/24 subject to a suite of conditions being met. The Oruku Landing fit-out rate was to be set for the first time for the 2023/24 year to repay borrowing required for the grant. The conditions for Council funding were not met. Accordingly, the Council will not set the rate.*

# 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

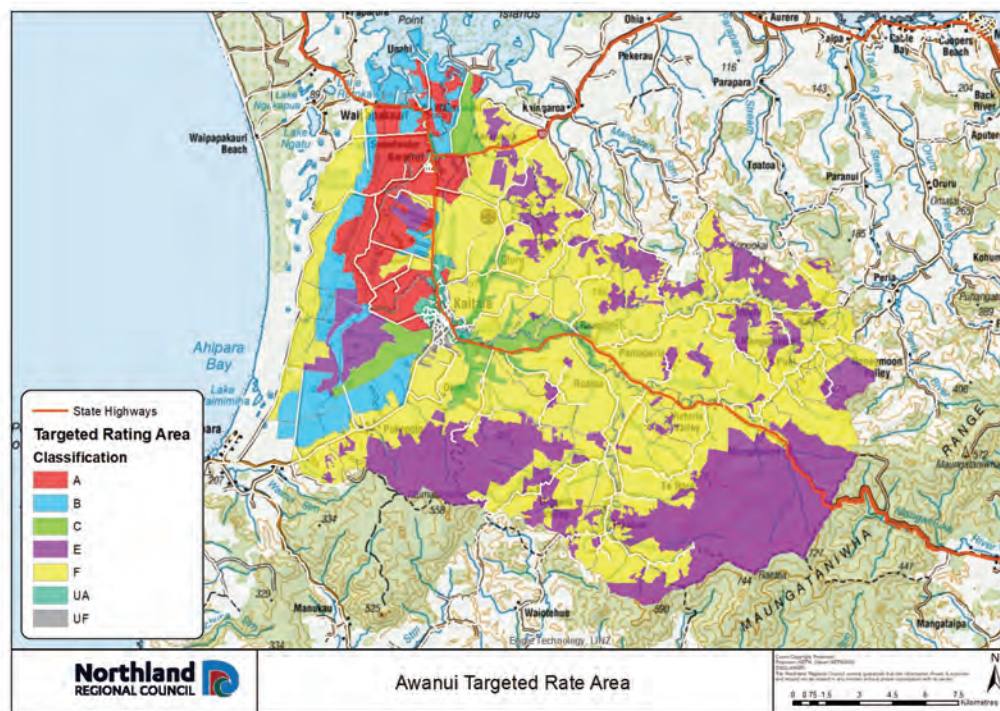
The Awanui River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by the following table and maps. The rate is set differentially as follows:

Awanui river management rate

Category	Description	Rate	Rateable unit
1	Urban rate class UA (floodplain location) \$262.50 direct benefit plus \$25.83 indirect benefit per separately used or inhabited part of a rating unit.	\$288.33	Per SUIP
2	Urban rate classes UF (higher ground) \$25.83 direct benefit plus \$25.83 indirect benefit per separately used or inhabited part of a rating unit.	\$51.66	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, \$10.70 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.	\$10.70	Per SUIP

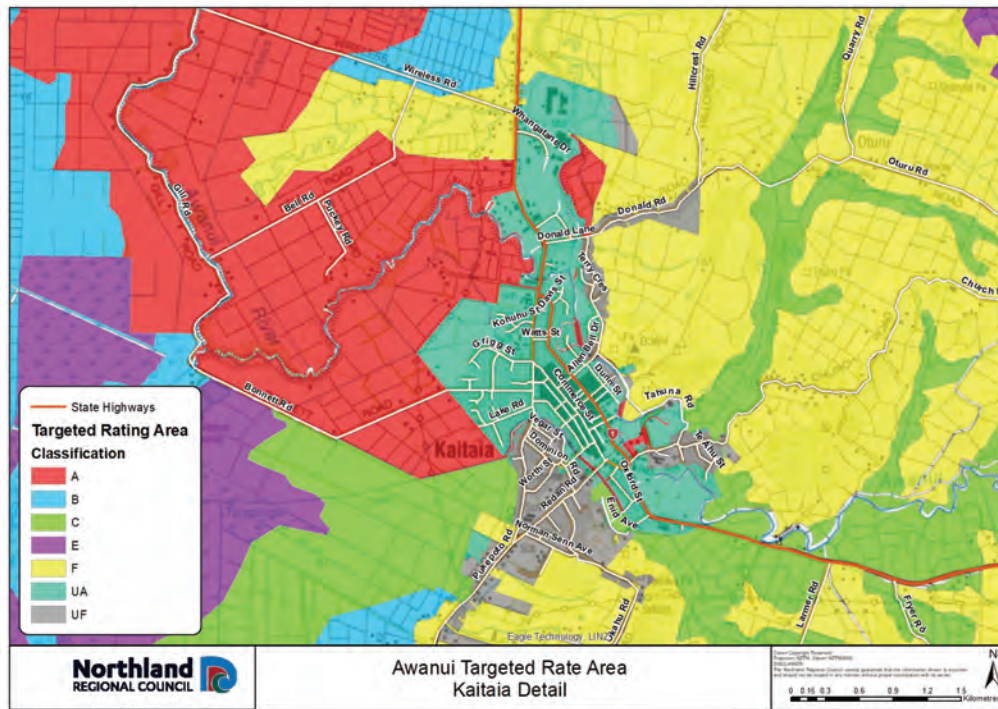
The rating classifications and the rate charged are illustrated in the following maps and table:

## Awanui River scheme targeted rate

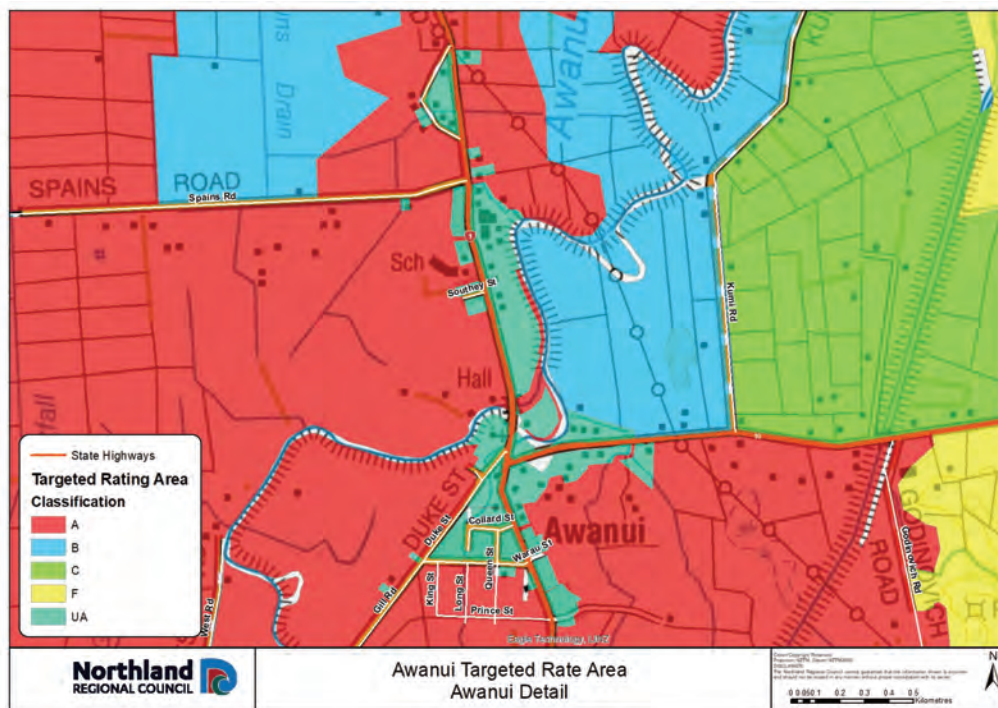




## Awanui scheme targeted rate - Kataia detail



## 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.	\$22.01
C	Moderate benefit; land floods less frequently and water clears quickly.	\$10.02
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.	\$0.70

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 **\$941,321** for the 2023/24 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	\$120,178
C	Rural	\$15,463
F	Rural	\$13,187
Indirect benefit	Rural	\$18,554
Urban A	Urban	\$418,367
Urban F	Urban	\$34,302
Commercial differential	Majority urban	\$321,270
<b>Total</b>		<b>\$941,321</b>

### 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

## What it funds

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

## How it is set

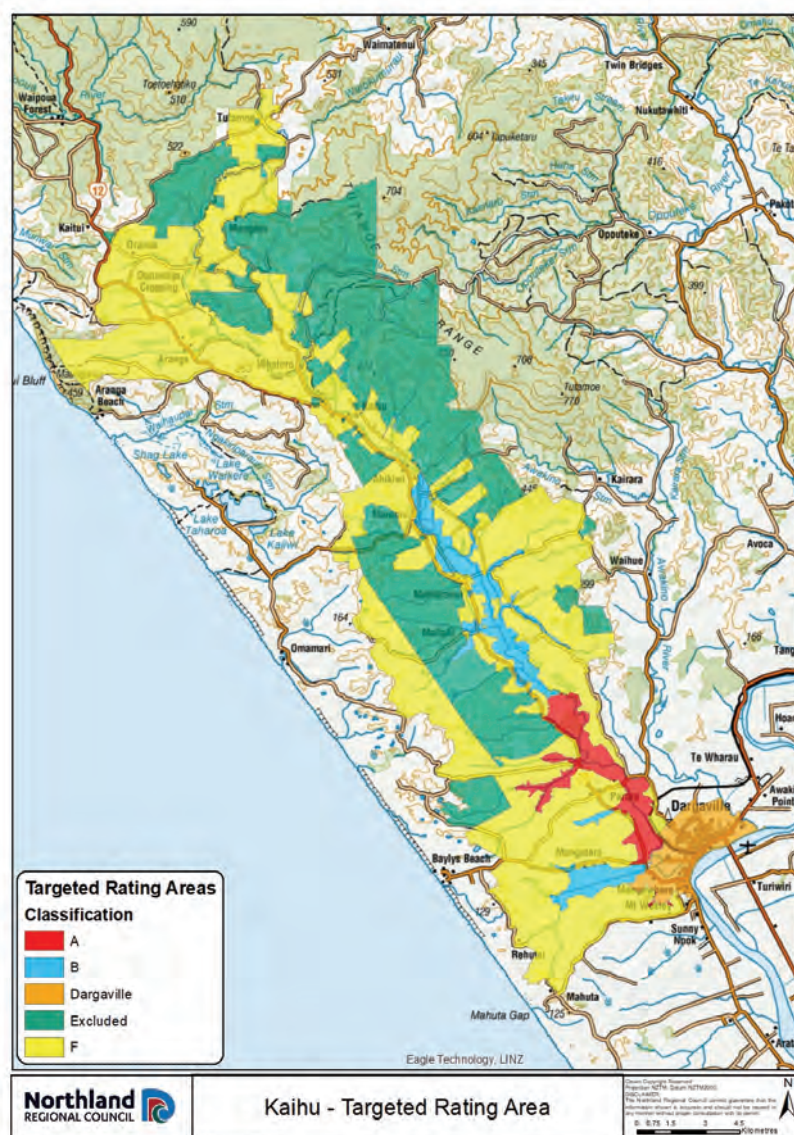
The Kaihū River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by this map and the following table.

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 targeted rate area



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
	<b>Urban contribution</b>	<b>Per annum</b>
	A contribution from Kaipara District Council instead of a separate rate per property.	\$5,015

How much is the rate?

The estimated total Kaihū River management rate is **\$79,869** in the 2023/24 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

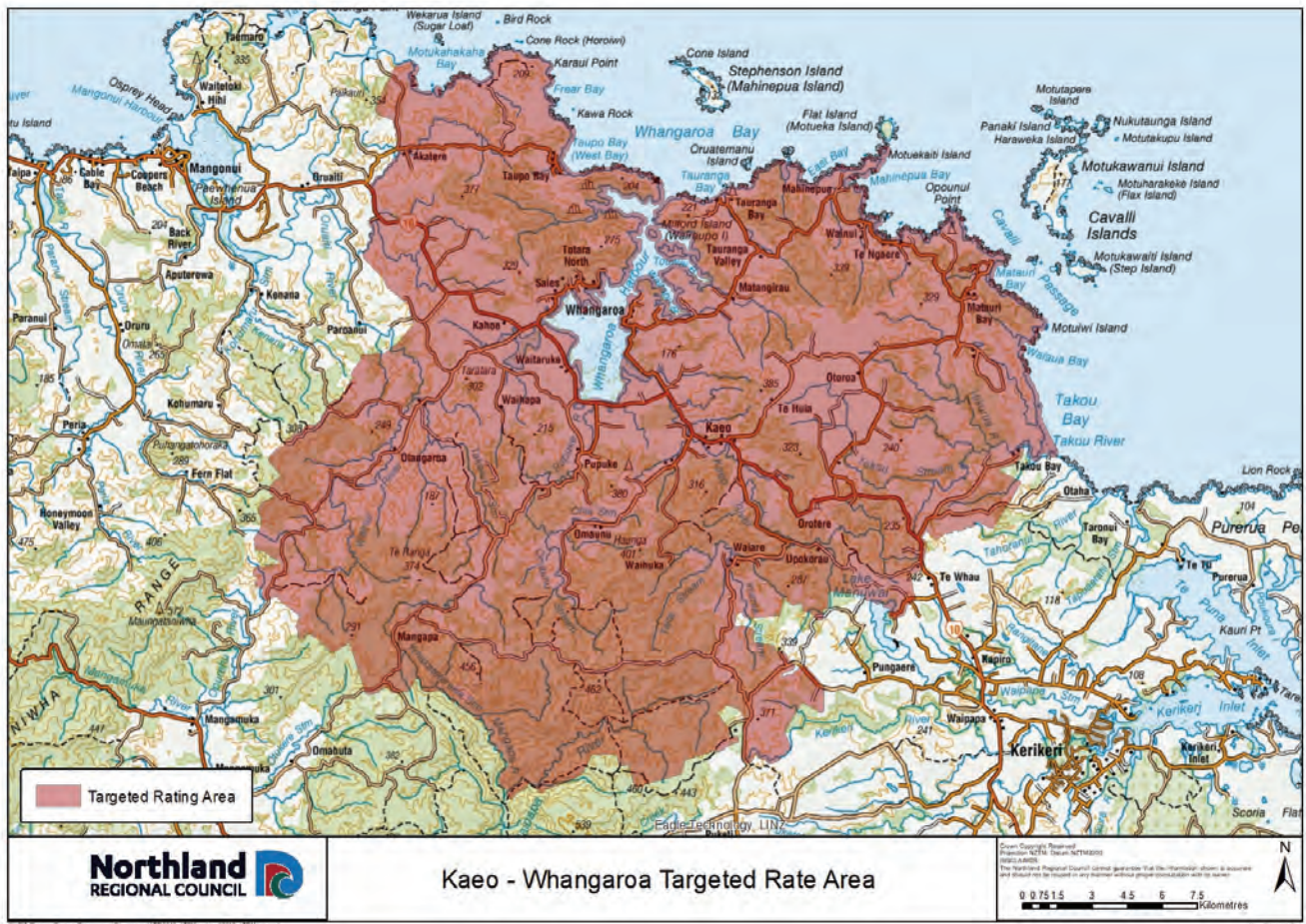
## What it funds

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 River targeted rate area



## How much is the rate?

The estimated total Kāeo-Whangaroa rivers management rate is \$118,043 in the 2023/24 financial year. The rate is set at \$54.52 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.	\$338.46	Per SUIP
2	Residential properties in the Whangārei CBD flood area.	\$176.43	Per SUIP
3	Properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$41.42	Per SUIP

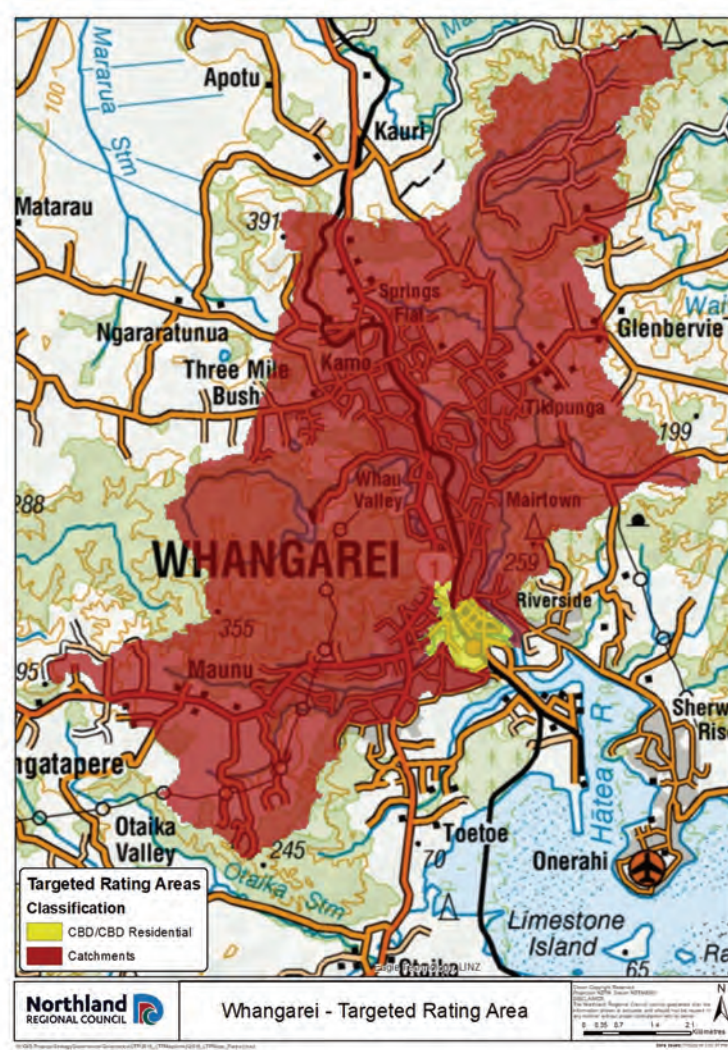
The differential recognises the different categories of beneficiaries to the scheme and the properties that contribute to flooding in the Whangārei CBD. Properties in the contributing water catchment area contribute run-off from rainfall to the CBD, which exacerbates and contributes to flooding, and 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 rate area map



## How much is the rate?

The estimated total Whangārei urban rivers management rate is \$1,142,580 in the 2023/24 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.	\$354,030
2	All residential properties in the Whangārei CBD flood area.	\$27,876
3	All properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$760,674
Total		\$1,142,580

## 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

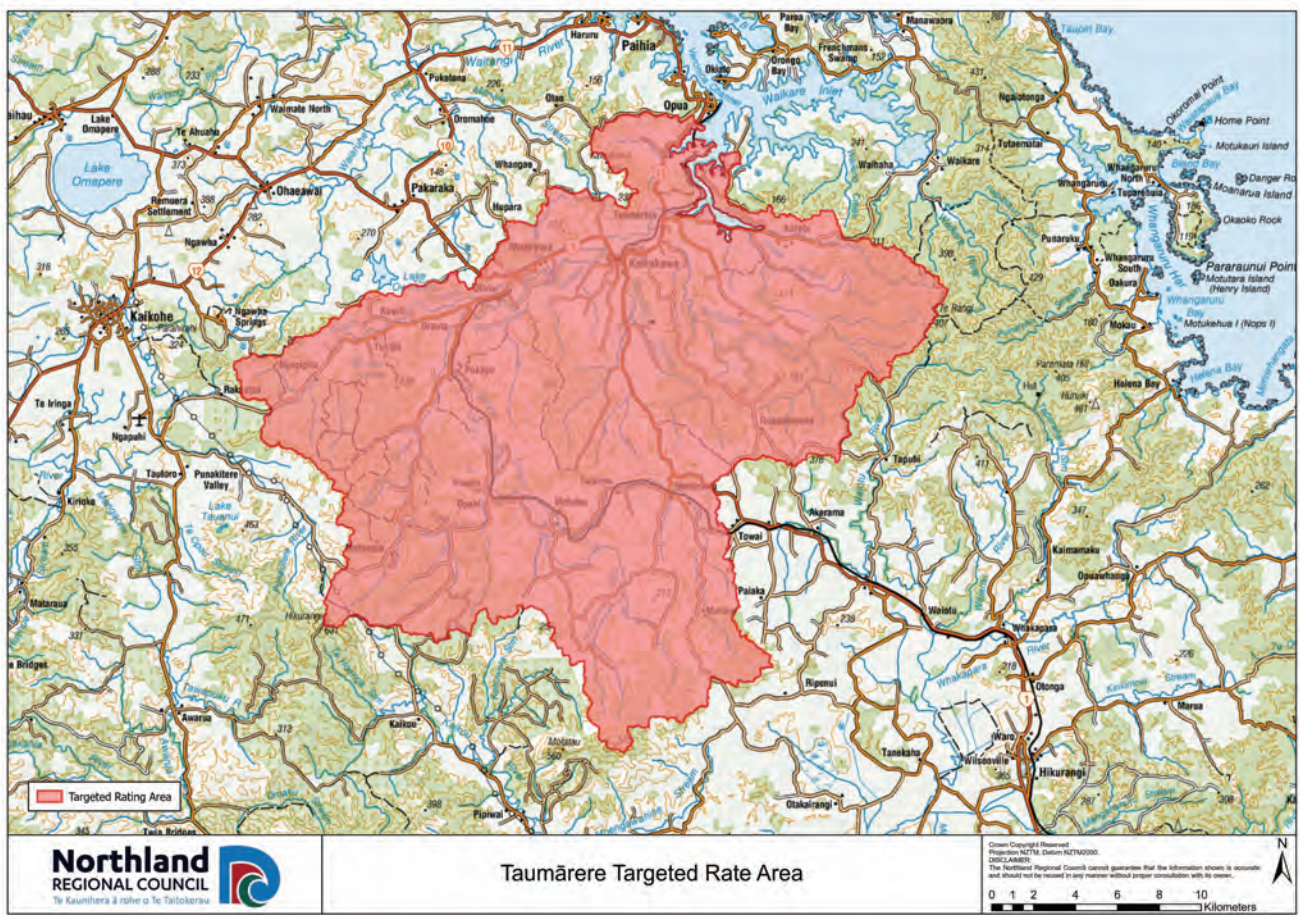
This rate funds operational and capital flood scheme works in the Taumārere catchment to reduce flooding at Otiria and Moerewa, and Kawakawa.

## 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 \$113,278 in the 2023/24 financial year. The rate is set at \$60.64 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 is 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 separately used or occupied, or is intended to be separately 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 of a rating unit that is separately used, or occupied, or intended to be separately used or occupied by the ratepayer.

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 town houses (attached or not attached) or multiple dwellings on Māori freehold land on a rating unit

## 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: \$300
- » administration fee: \$50 per annum
- » financing fee on all postponements: currently set at 3.00% 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](http://www.fndc.govt.nz)

[www.wdc.govt.nz](http://www.wdc.govt.nz)

[www.kaipara.govt.nz](http://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.

Please note: the rating information database records will be updated by the district councils in accordance with their respective annual plan processes.

## Summary table of rates

The following table illustrates the distribution of the regional rates on the forecast basis for the 2023/24 financial year, with the 2022/2023 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 2023

	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	37,591	36,411	20,847,386	10,843,578	33,383,477	15,139,876	35.85%	35.53%
Kaipara District	14,961	14,852	11,016,546	6,095,461	15,209,988	7,888,446	16.33%	18.51%
Whangārei District	47,040	45,548	39,927,321	20,555,712	44,533,697	19,586,277	47.82%	45.96%
<b>Total Valuation - Northland</b>	<b>99,592</b>	<b>96,811</b>	<b>71,791,253</b>	<b>37,494,751</b>	<b>93,127,162</b>	<b>42,614,599</b>	<b>100%</b>	<b>100%</b>

	Rates 2023/24 (including GST)			Rates 2022/23 (including GST)		
	Total (gross)	Total (net)		Total (gross)	Total (net)	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<b>Targeted Council Services Rate</b>						
Far North (per SUIP)	164.49	6,183,344	5,989,245	140.02	5,226,527	5,089,867
Kaipara (per RU)	183.73	2,748,785	2,728,758	169.14	2,475,195	2,456,589
Whangārei (per SUIP)	177.14	8,332,666	8,068,373	158.26	7,346,587	7,133,253
		<b>17,264,795</b>	<b>16,786,376</b>		<b>15,048,309</b>	<b>14,679,709</b>
<b>Targeted Land and Freshwater Management Rate</b>						
Far North (per \$ of actual LV)	0.0004179	4,531,531	4,500,574	0.0003835	3,909,644	3,878,687
Kaipara (per \$ of actual LV)	0.0003858	2,351,629	2,344,759	0.0003565	2,153,227	2,142,590
Whangārei (per \$ of actual LV)	0.0002857	5,872,767	5,822,699	0.0002780	5,671,283	5,621,215
		<b>12,755,927</b>	<b>12,668,032</b>		<b>11,734,154</b>	<b>11,642,492</b>
<b>Targeted Pest Management Rate</b>						
Far North (per SUIP)	81.33	3,057,276	2,961,307	71.77	2,678,959	2,608,911
Kaipara (per RU)	90.85	1,359,207	1,349,304	86.69	1,268,621	1,259,086
Whangārei (per SUIP)	86.73	4,079,779	3,950,378	80.23	3,724,357	3,616,207
		<b>8,496,262</b>	<b>8,260,989</b>		<b>7,671,937</b>	<b>7,484,204</b>
<b>Targeted Flood Infrastructure Rate</b>						
Far North (per SUIP)	35.46	1,332,977	1,291,134	33.24	1,240,749	1,208,307
Kaipara (per RU)	35.46	530,517	526,652	33.24	486,434	482,778
Whangārei (per SUIP)	35.46	1,668,038	1,615,132	33.24	1,543,034	1,498,227
		<b>3,531,532</b>	<b>3,432,918</b>		<b>3,270,217</b>	<b>3,189,312</b>
<b>Targeted Emergency and Hazard Management Rate</b>						
Far North (per SUIP)	46.65	1,753,620	1,698,573	40.15	1,498,679	1,459,493
Kaipara (per RU)	52.10	779,468	773,789	48.50	709,749	704,414
Whangārei (per SUIP)	49.74	2,339,770	2,265,558	44.88	2,083,374	2,022,876
		<b>4,872,858</b>	<b>4,737,920</b>		<b>4,291,802</b>	<b>4,186,783</b>
<b>Targeted Regional Sporting Facilities Rate</b>						
Far North (per SUIP)	16.46	618,748	599,325	16.60	619,628	603,427
Kaipara (per RU)	16.46	246,258	244,464	16.60	242,924	241,098
Whangārei (per SUIP)	16.46	774,278	749,720	16.60	770,589	748,212
		<b>1,639,284</b>	<b>1,593,509</b>		<b>1,633,141</b>	<b>1,592,737</b>



<b>Targeted Regional Economic Development Rate</b>						
Far North (per \$ of actual LV)	0.0000317	343,741	341,646	0.0000260	265,061	262,965
Kaipara (per \$ of actual LV)	0.0000293	178,597	178,132	0.0000242	146,166	145,446
Whangārei (per \$ of actual LV)	0.0000216	444,003	440,607	0.0000188	383,526	380,129
		<b>966,341</b>	<b>960,385</b>		<b>794,753</b>	<b>788,540</b>
<b>Targeted Emergency Services Rate</b>						
Far North (per SUIP)	11.50	432,297	418,727	11.60	432,993	421,672
Kaipara (per RU)	11.50	172,052	170,798	11.60	169,754	168,478
Whangārei (per SUIP)	11.50	540,960	523,802	11.60	538,484	522,847
		<b>1,145,309</b>	<b>1,113,327</b>		<b>1,141,231</b>	<b>1,112,997</b>
<b>Targeted Whangārei Transport Rate</b>						
Rate per SUIP	43.30	2,036,832	1,972,228	38.47	1,785,816	1,733,958
<b>Targeted Far North Transport Rate</b>						
Far North District	8.78	330,049	319,689	8.79	328,104	319,525
<b>Targeted Awanui River Management Rate</b>						
Far North District - Rural		175,831	173,796		190,286	190,041
Far North District - Urban		780,677	767,525		850,144	838,734
		<b>956,508</b>	<b>941,321</b>		<b>1,040,430</b>	<b>1,028,775</b>
<b>Targeted Kaihū River Management Rate</b>						
Kaipara District (Kaihū river area only)		79,869	79,869		79,869	79,869
<b>Targeted Kāeo-Whangaroa Rivers Management Rate</b>						
Far North (Kāeo only)	54.52	121,860	118,043	54.52	121,860	118,043
<b>Targeted Taumāre Rivers Management Rate</b>						
Far North (Otiāra-Moerewa/Kawakawa only)	60.64	115,580	113,278	67.15	116,102	113,278
<b>Targeted Whangārei Urban Rivers Management Rate</b>						
Whangārei district only		1,156,546	1,142,581		1,163,385	1,142,580
<b>TOTAL RATES</b>						
		<b>Gross (\$) *</b>	<b>Net (\$) **</b>		<b>Gross (\$) *</b>	<b>Net (\$) **</b>
Far North District		19,777,531	19,292,862		17,478,736	17,112,950
Kaipara District		8,446,381	8,396,526		7,731,939	7,680,348
Whangārei District		27,245,640	26,551,078		25,010,435	24,419,504
		<b>55,469,552</b>	<b>54,240,465</b>		<b>50,221,110</b>	<b>49,212,802</b>

\* 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 Annual 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 2023, 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, fixed regional sporting facilities rate assessed on each separately used or inhabited part of the rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit; and
9. A targeted, fixed Far North transport rate assessed on each separately used or inhabited part of the rating unit.

Far North			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0004179	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000317	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential / Commercial / Other</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	225,000	94.03	86.29
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		7.13	5.85
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
<b>Total Regional Rates</b>		<b>465.83</b>	<b>414.31</b>
<b>Farm Property</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	2,750,000	1,149.23	1,054.63
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		87.18	71.50
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
<b>Total Regional Rates</b>		<b>1,601.08</b>	<b>1,448.30</b>

## **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, fixed regional sporting facilities rate assessed on each separately used or inhabited part of the rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit;
9. A targeted, fixed Far North transport rate assessed on each separately used or inhabited part of the rating unit; and
10. 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.

Far North District - Awanui Catchment			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0004179	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000317	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential &amp; Commercial Urban</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	225,000	94.03	86.29
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		7.13	5.85
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
<i>Plus Awanui river management rates applicable to:</i>			
- Urban rate class UA (floodplain location)		288.33	313.72
- Urban rate classes UF (higher ground)		51.66	56.38
- Commercial Urban UA		864.99	941.16
<b>Lifestyle Property - 10 hectares</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	450,000	188.06	172.58
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		14.27	11.70
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
<i>Plus Awanui River Management Rates applicable to:</i>			
- Rural Commercial A & B		671.00	711.65
- Rural Class A & B		230.80	245.05
- Rural Class C		110.90	120.75
- Rural Class E		10.70	11.75
- Rural Class F		17.70	19.45
<b>Farm Property - 100 hectares</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	2,750,000	1,149.23	1,054.63
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		87.18	71.50
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
<i>Plus Awanui River Management Rates applicable to:</i>			
- Rural Commercial A & B		6,613.70	7,010.75
- Rural Class A & B		2,211.70	2,344.75
- Rural Class C		1,012.70	1,101.75
- Rural Class E		10.70	11.75



1. Commercial properties for the Awanui River management rate are subject to the 3:1 commercial differential: on \$288.33 for urban commercial class UA equating to \$864.99; on \$51.66 for urban commercial class UF equating to \$154.98; on \$22.01 per hectare for rural commercial class A/B equating to \$66.03; on \$10.02 per hectare for rural commercial class C equating to \$30.06; and on \$0.70 per hectare for rural commercial class F equating to \$2.10.

The rural rate also includes a single rate of \$10.70 per SUIP 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, fixed regional sporting facilities rate assessed on each separately used or inhabited part of the rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit;
9. A targeted, fixed Far North transport rate assessed on each separately used or inhabited part of the rating unit; and
10. 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).

Far North - Kāeo-Whangaroa			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0004179	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000317	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential / Commercial / Other</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	225,000	94.03	86.29
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		7.13	5.85
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
Targeted Kāeo-Whangaroa Rivers Management Rate		54.52	54.52
<b>Total Regional Rates</b>		<b>520.35</b>	<b>468.83</b>
<b>Farm Property</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	2,750,000	1,149.23	1,054.63
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		87.18	71.50
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
Targeted Kāeo-Whangaroa Rivers Management Rate		54.52	54.52
<b>Total Regional Rates</b>		<b>1,655.60</b>	<b>1,502.82</b>

## **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, fixed regional sporting facilities rate assessed on each separately used or inhabited part of the rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit;
9. A targeted, fixed Far North transport rate assessed on each separately used or inhabited part of the rating unit; and
10. 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.

Far North - Taumārere			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0004167	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000317	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential / Commercial / Other</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	225,000	94.03	86.29
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		7.13	5.85
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
Targeted Tamarere Rivers Management Rate		60.64	67.15
<b>Total Regional Rates</b>		<b>526.47</b>	<b>481.46</b>
<b>Farm Property</b>			
Targeted Council Services Rate		164.49	140.02
Targeted Land and Freshwater Management Rate	2,750,000	1,149.23	1,054.63
Targeted Pest Management Rate		81.33	71.77
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		46.65	40.15
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		87.18	71.50
Targeted Emergency Services Rate		11.50	11.60
Targeted Far North Transport Rate		8.78	8.79
Targeted Tamarere Rivers Management Rate		60.64	67.15
<b>Total Regional Rates</b>		<b>1,661.72</b>	<b>1,515.45</b>



## 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, fixed regional sporting facilities rate assessed on each rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each rating unit; and
9. 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.

Kaipara Urban / Rural			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0003858	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000293	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential Property</b>			
Targeted Council Services Rate		183.73	169.14
Targeted Land and Freshwater Management Rate	225,000	86.80	80.21
Targeted Pest Management Rate		90.85	86.69
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		52.10	48.50
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		6.59	5.45
Targeted Emergency Services Rate		11.50	11.60
<b>Total Regional Rates</b>		<b>483.50</b>	<b>451.43</b>
<b>Farm Property</b>			
Targeted Council Services Rate		183.73	169.14
Targeted Land and Freshwater Management Rate	2,750,000	1,060.95	980.38
Targeted Pest Management Rate		90.85	86.69
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		52.10	48.50
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		80.58	66.55
Targeted Emergency Services Rate		11.50	11.60
<b>Total Regional Rates</b>		<b>1,531.63</b>	<b>1,412.70</b>
<b>Additional for Properties in the Kaihū River Catchment</b>			
GST Inclusive	Land Value	2023/24	2022/23
	(\$)	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, fixed regional sporting facilities rate assessed on each separately used or inhabited part of the rating unit;
7. A targeted regional economic development rate assessed on the land value of each rateable rating unit;
8. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit;
9. A targeted, fixed Whangārei transport rate assessed on each separately used or inhabited part of the rating unit; and
10. 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.

Whangārei Urban / Rural / Other			
Land & Freshwater Management Rate = LV rate in the \$ = 0.0002857	Land Value	2023/24	2022/23
Regional Economic Development Rate = LV rate in the \$ = 0.0000216	(LV)	Rates	Rates
	(\$)	(\$)	(\$)
<b>Residential Property (non CBD)</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	225,000	64.28	62.55
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		4.86	4.23
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60
<b>Total Regional Rates</b>		<b>489.47</b>	<b>450.06</b>
<b>Residential Property (in CBD area)</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	225,000	64.28	62.55
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		4.86	4.23
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60
Whangārei River Management Rate - CBD Residential		176.43	172.08
<b>Total Regional Rates</b>		<b>665.90</b>	<b>622.14</b>
<b>Residential Property (in stormwater catchment area)</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	225,000	64.28	62.55
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		4.86	4.23
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60
Whangārei River Management Rate - General Catchment		41.42	42.13
<b>Total Regional Rates</b>		<b>530.89</b>	<b>492.19</b>
<b>Farm Property</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	2,750,000	785.68	764.50
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		59.40	51.70
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60

<b>Total Regional Rates</b>		<b>1,265.41</b>	<b>1,199.48</b>
<b>Commercial Property (non CBD)</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	2,000,000	571.40	556.00
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		43.20	37.60
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60
<b>Total Regional Rates</b>		<b>1,034.93</b>	<b>976.88</b>
<b>Commercial Property (in CBD area)</b>			
Targeted Council Services Rate		177.14	158.26
Targeted Land and Freshwater Management Rate	2,000,000	571.40	556.00
Targeted Pest Management Rate		86.73	80.23
Targeted Flood Infrastructure Rate		35.46	33.24
Targeted Emergency and Hazard Management Rate		49.74	44.88
Targeted Regional Sporting Facilities Rate		16.46	16.60
Targeted Regional Economic Development Rate		43.20	37.60
Targeted Whangārei Transport Rate		43.30	38.47
Targeted Emergency Services Rate		11.50	11.60
Whangārei River Management Rate - CBD Commercial		338.46	351.22
<b>Total Regional Rates</b>		<b>1,373.39</b>	<b>1,328.10</b>

# Ngā take tahua pūtea

## Financials

### Prospective financial statements

#### Prospective statement of comprehensive revenue and expense

Annual Plan			Annual Plan	LTP Year 3
2022/23			2023/24	2023/24
\$(000)			\$(000)	\$(000)
REVENUE				
42,795	Rates		47,166	46,688
4,310	Fees and Charges		6,841	4,947
15,559	Subsidies and Grants		11,447	8,030
167	Interest Revenue		199	161
6,744	Other Revenue		7,877	7,687
4,601	Other Gains		3,741	4,550
74,176	TOTAL REVENUE		77,271	72,063
EXPENSES				
26,527	Personnel Costs		28,975	24,656
2,385	Depreciation and Amortisation Expense		2,337	2,390
1,102	Finance Costs		1,289	1,179
-	Other Losses		-	-
39,808	Other Expenditure on Activities		43,726	45,311
69,822	TOTAL OPERATING EXPENDITURE		76,327	73,536
4,354	SURPLUS/(DEFICIT) BEFORE TAX		944	(1,473)
-	INCOME TAX CREDIT/(EXPENSE)		-	-
4,354	SURPLUS/(DEFICIT) AFTER TAX		944	(1,473)
SURPLUS/(DEFICIT) ATTRIBUTABLE TO:				
4,354	Northland Regional Council		944	(1,473)
	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		-	-
-	Gains/(loss) on Infrastructure Asset revaluations		-	-
-	TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE		-	-
4,354	TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR		944	(1,473)

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).

Annual Plan		Annual Plan	LTP Year 3
2022/23		2023/24	2023/24
\$(000)		\$(000)	\$(000)
4,354	GAAP surplus / (deficit) as above	944	(1,473)
(13,587)	Transfers to Reserves	(9,216)	(9,777)
9,260	Transfers from Reserves	8,308	11,363
27	Balanced budget surplus / (deficit)	35	113

## Prospective statement of financial position

Annual Plan		Annual Plan	LTP Year 3
2022/23		2023/24	2023/24
\$(000)		\$(000)	\$(000)
<b>ASSETS</b>			
<b>Current Assets</b>			
873	Cash and Cash Equivalents	425	837
16,043	Other Financial Assets	14,018	11,279
7,417	Receivables	7,617	7,858
271	Inventory	270	203
715	Assets Held for Sale	0	715
25,319	<b>Total Current Assets</b>	22,330	20,892
<b>Non Current Assets</b>			
-	Receivables	-	-
61,683	Other Financial Assets	61,352	74,722
68,019	Infrastructure, Property, Plant and Equipment	78,473	64,079
75,171	Investment Property	84,136	52,800
830	Intangible Assets	1,149	1,118
3,703	Forestry Assets	4,062	3,157
7,828	Investment in Subsidiaries (excl council controlled organisations) and Joint Venture company	7,828	7,828
738	Investment in Council Controlled Organisations	282	686
217,972	<b>Total Non Current Assets</b>	237,282	204,390
243,291	<b>TOTAL ASSETS</b>	259,612	225,282
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
7,385	Payables	10,998	7,447
2,588	Employee Entitlements	3,072	2,443
9,973	<b>Total Current Liabilities</b>	14,070	9,890
<b>Non Current Liabilities</b>			
610	Payables and Deferred Revenue	610	610
31,554	Borrowings and Other Financial Liabilities	23,887	39,674
21	Employee Entitlements	21	21
32,185	<b>Total Non Current Liabilities</b>	24,518	40,305
42,159	<b>TOTAL LIABILITIES</b>	38,588	50,195
201,133	<b>NET ASSETS</b>	221,024	175,087



EQUITY				
149,673	Accumulated Funds	171,895	131,749	
3,973	Revaluation Reserves	7,699	3,973	
47,487	Other Reserves	41,430	39,365	
<b>201,133</b>	<b>Total Equity</b>	<b>221,024</b>	<b>175,087</b>	
-	Non-controlling interests in subsidiary companies	-	-	
<b>201,133</b>	<b>TOTAL EQUITY</b>	<b>221,024</b>	<b>175,087</b>	

## Prospective statement of changes in equity

Annual Plan		Annual Plan	LTP Year 3
2022/23		2023/24	2023/24
\$(000)		\$(000)	\$(000)
196,779	BALANCE at 1 July	220,080	176,560
4,354	Total Comprehensive Revenue and Expense	944	(1,473)
<b>201,133</b>	<b>BALANCE at 30 June</b>	<b>221,024</b>	<b>175,087</b>
	Total Comprehensive Revenue and Expense Attributable to:		
4,354	Northland Regional Council	944	(1,473)
-	Non-controlling interests	-	-
<b>201,133</b>	<b>TOTAL at 30 June</b>	<b>221,024</b>	<b>175,087</b>

## Prospective statement of cashflows

Annual Plan		Annual Plan	LTP Year 3	Variance
2022/23		2023/24	2023/24	to LTP
\$(000)		\$(000)	\$(000)	\$(000)
<b>Cash Flows from Operating Activities</b>				
42,252	Receipts from rates revenue	45,477	46,111	(634)
9,102	Receipts from customers	13,066	10,217	2,849
17,429	Subsidies and grants received	12,615	9,155	3,460
4,476	GST received	4,108	5,652	(1,544)
167	Interest received	160	161	(1)
3,542	Other revenue received	3,542	3,708	(167)
(72,966)	Staff and suppliers	(77,630)	(77,002)	(628)
(4,272)	Other payments - operating	(417)	(468)	52
(1,102)	Interest paid	(1,289)	(1,179)	(109)
<b>(1,372)</b>	<b>Net Cash Provided (or Used) in Operating Activities</b>	<b>(368)</b>	<b>(3,645)</b>	<b>3,278</b>
<b>Cash Flows from Investing Activities</b>				
0	Sale of Investment Property	0	0	0
17,397	Other receipts - sale of investments	9,300	2,539	6,760
(3,776)	Purchase of Investment	(2,694)	(2,507)	(188)
(28,861)	Purchase of infrastructure, property, plant and equipment	(9,945)	(3,498)	(6,447)
<b>(15,240)</b>	<b>Net Cash Provided (or Used) in Investing Activities</b>	<b>(3,339)</b>	<b>(3,466)</b>	<b>125</b>
<b>Cash Flows from Financing Activities</b>				
13,596	Other receipts - financing	2,859	7,050	(4,191)
0	Other payments - financing	0	0	0

13,596	Net Cash Provided (or Used) in Financing Activities	2,859	7,050	(4,191)
(3,016)	Net Increase/(Decrease) in Cash & Cash Equivalents	(848)	(61)	(789)
3,889	Cash and Cash Equivalents at beginning of period	1,273	896	3,377
873	Cash and Cash Equivalents at end of period	425	835	2,588

## Schedule of reserves

Annual Plan 2022/23 \$(000)	Annual Plan 2023/24 \$(000)	LTP Year 3 2023/24 \$(000)
<b>Land Management Reserve</b>		
232 Opening Balance as at 1 July	290	-
(155) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(15)	-
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>77 Closing Balance as at 30 June</b>	<b>275</b>	<b>-</b>
<b>Awanui River Reserve</b>		
(143) Opening Balance as at 1 July	11	(380)
122 Increase /(Decrease) in Reserve throughout the year (operational transfer)	28	55
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(21) Closing Balance as at 30 June</b>	<b>39</b>	<b>(325)</b>
<b>Kaihu River Reserve</b>		
48 Opening Balance as at 1 July	51	28
(1) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(3)	(4)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>47 Closing Balance as at 30 June</b>	<b>48</b>	<b>24</b>
<b>Kaeo Whangaroa Rivers Reserve</b>		
213 Opening Balance as at 1 July	267	115
9 Increase /(Decrease) in Reserve throughout the year (operational transfer)	(12)	(11)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>222 Closing Balance as at 30 June</b>	<b>255</b>	<b>104</b>
<b>Whangarei Urban River Reserve</b>		
(7,634) Opening Balance as at 1 July	(7,158)	(7,144)
513 Increase /(Decrease) in Reserve throughout the year (operational transfer)	475	503
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(7,121) Closing Balance as at 30 June</b>	<b>(6,683)</b>	<b>(6,641)</b>
<b>Kerikeri Waipapa Rivers Reserve</b>		
44 Opening Balance as at 1 July	(26)	151
(44) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(46)	(46)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>- Closing Balance as at 30 June</b>	<b>(72)</b>	<b>105</b>
<b>Flood Infrastructure Reserve</b>		
(1,686) Opening Balance as at 1 July	(2,870)	(6,888)
4,038 Increase /(Decrease) in Reserve throughout the year (operational transfer)	466	467
(6,095) Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
<b>(3,743) Closing Balance as at 30 June</b>	<b>(2,404)</b>	<b>(6,421)</b>
<b>Whangarei Flood Infrastructure Reserve</b>		
8 Opening Balance as at 1 July	122	3
37 Increase /(Decrease) in Reserve throughout the year (operational transfer)	40	40
(15) Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
<b>30 Closing Balance as at 30 June</b>	<b>162</b>	<b>43</b>
<b>Awanui Flood Infrastructure Reserve</b>		
(597) Opening Balance as at 1 July	(413)	(1,293)
1,054 Increase /(Decrease) in Reserve throughout the year (operational transfer)	43	23
(1,547) Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0

<b>(1,090) Closing Balance as at 30 June</b>	<b>(370)</b>	<b>(1,270)</b>
<b>Taumārere Flood Infrastructure Reserve</b>		
(29) Opening Balance as at 1 July	(336)	(528)
551 Increase /(Decrease) in Reserve throughout the year (operational transfer)	25	25
(1,050) Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(528) Closing Balance as at 30 June</b>	<b>(311)</b>	<b>(503)</b>
<b>Kaeo Whangaroa Flood Infrastructure Reserve</b>		
(56) Opening Balance as at 1 July	68	(149)
14 Increase /(Decrease) in Reserve throughout the year (operational transfer)	15	15
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(42) Closing Balance as at 30 June</b>	<b>83</b>	<b>(134)</b>
<b>Regional Sporting Facilities Reserve</b>		
942 Opening Balance as at 1 July	1,251	-
(65) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(65)	-
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>877 Closing Balance as at 30 June</b>	<b>1,186</b>	<b>-</b>
<b>Property Reinvestment Fund Reserve</b>		
40,457 Opening Balance as at 1 July	24,043	31,406
622 Increase /(Decrease) in Reserve throughout the year (operational transfer)	524	764
(10,605) Increase /(Decrease) in Reserve throughout the year (capital transfer) **	(5,000)	-
<b>30,474 Closing Balance as at 30 June</b>	<b>19,567</b>	<b>32,170</b>
<b>Regional Projects Reserve</b>		
16,278 Opening Balance as at 1 July	16,479	16,264
148 Increase /(Decrease) in Reserve throughout the year (operational transfer)	354	394
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>16,426 Closing Balance as at 30 June</b>	<b>16,833</b>	<b>16,658</b>
<b>Equalisation fund Reserve</b>		
1,512 Opening Balance as at 1 July	1,663	1,070
(279) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(135)	(87)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>1,233 Closing Balance as at 30 June</b>	<b>1,528</b>	<b>983</b>
<b>Hatea River Reserve</b>		
42 Opening Balance as at 1 July	22	50
(36) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(22)	-
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>5 Closing Balance as at 30 June</b>	<b>0</b>	<b>50</b>
<b>Investment and Growth Reserve</b>		
3 Opening Balance as at 1 July	87	9
7 Increase /(Decrease) in Reserve throughout the year (operational transfer)	(4)	6
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>10 Closing Balance as at 30 June</b>	<b>83</b>	<b>15</b>
<b>Whangarei Transport reserve</b>		
(123) Opening Balance as at 1 July	178	(34)
78 Increase /(Decrease) in Reserve throughout the year (operational transfer)	139	3
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(45) Closing Balance as at 30 June</b>	<b>317</b>	<b>(31)</b>
<b>Far North Bus reserve</b>		
334 Opening Balance as at 1 July	428	209
16 Increase /(Decrease) in Reserve throughout the year (operational transfer)	(25)	(3)

- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>350 Closing Balance as at 30 June</b>	<b>403</b>	<b>206</b>
<b>Economic Development Reserve</b>		
17,611 Opening Balance as at 1 July	16,967	17,667
199 Increase /(Decrease) in Reserve throughout the year (operational transfer)	220	413
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>17,810 Closing Balance as at 30 June</b>	<b>17,187</b>	<b>18,080</b>
<b>Operational Reserve</b>		
2,005 Opening Balance as at 1 July	2,189	2,359
- Increase /(Decrease) in Reserve throughout the year (operational transfer)	(689)	300
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>2,005 Closing Balance as at 30 June</b>	<b>1,500</b>	<b>2,659</b>
<b>Kaipara Moana Remediation Reserve</b>		
(440) Opening Balance as at 1 July	(92)	(701)
(450) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(459)	(243)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(890) Closing Balance as at 30 June</b>	<b>(551)</b>	<b>(944)</b>
<b>Enterprise System Reserve</b>		
(163) Opening Balance as at 1 July	(2,426)	(5,588)
(2,426) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(1,794)	194
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>(2,589) Closing Balance as at 30 June</b>	<b>(4,220)</b>	<b>(5,394)</b>
<b>CDEM Joint Emergency Centre Reserve</b>		
- Opening Balance as at 1 July	389	(4,203)
389 Increase /(Decrease) in Reserve throughout the year (operational transfer)	978	978
(4,500) Increase /(Decrease) in Reserve throughout the year (capital transfer)	(1,685)	(1,685)
<b>(4,111) Closing Balance as at 30 June</b>	<b>(318)</b>	<b>(4,910)</b>
<b>Oruku Landing Conference &amp; Event Centre</b>		
- Opening Balance as at 1 July	-	-
- Increase /(Decrease) in Reserve throughout the year (operational transfer)	-	(5,415)
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>- Closing Balance as at 30 June</b>	<b>-</b>	<b>(5,415)</b>
<b>Emergency Services reserve</b>		
114 Opening Balance as at 1 July	9	212
(44) Increase /(Decrease) in Reserve throughout the year (operational transfer)	(8)	44
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>70 Closing Balance as at 30 June</b>	<b>1</b>	<b>256</b>
<b>Vessel Replacement Reserve</b>		
(300) Opening Balance as at 1 July	(1,669)	-
30 Increase /(Decrease) in Reserve throughout the year (operational transfer)	94	-
(1,700) Increase /(Decrease) in Reserve throughout the year (capital transfer)	(1,295)	-
<b>(1,970) Closing Balance as at 30 June</b>	<b>(2,870)</b>	<b>-</b>
<b>IRIS Next GEN Reserve</b>		
- Opening Balance as at 1 July	(333)	-
- Increase /(Decrease) in Reserve throughout the year (operational transfer)	96	-
- Increase /(Decrease) in Reserve throughout the year (capital transfer)	-	-
<b>- Closing Balance as at 30 June</b>	<b>(237)</b>	<b>-</b>
<b>47,487 Total special reserves closing balance as at 30 June 2023</b>	<b>41,430</b>	<b>39,365</b>

\*\* Note re Property Reinvestment Reserve: Due to the growing volatility in investment markets council is seeking to de-risk its investment portfolio by accelerating investment into property assets. This has no impact on rates but results in larger than planned capital expenditure movements.

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:

Reserve name	Purpose	Activities that may be funded from reserve
River and flood infrastructure	<p>The Awanui, Kaihū, 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"> <li>» any future funding shortfalls relating to the maintenance and operation of existing river flood management schemes (river reserves)</li> <li>» any future funding shortfalls relating to the development, maintenance and operation of new flood infrastructure schemes (flood infrastructure reserves).</li> </ul> <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 ratepayers within the area of benefit identified in the respective flood management plans.</p>	River management
Property reinvestment fund 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 Marsden Maritime Holdings Limited. The 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.	Economic development
Regional project reserve	This reserve was established to represent funds invested in council's long-term investment fund, and earmarked for approved infrastructure and economic development investments, with a view to stabilising the impact of large, irregular infrastructure projects on council's income and capital requirements. This reserve helps manage and spread the costs of approved infrastructure and economic development investments projects, and is also intended to provide more flexibility around when such large, capital-intensive projects can commence. The income from the reserve represents funds available for operational spend for other activities where needed.	All
Forestry Equalisation fund 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 for any council activity, with a view to smoothing future rating increases. 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> <ul style="list-style-type: none"> <li>» ongoing maintenance and dredging</li> <li>» disposal of dredged spoil material</li> <li>» providing an annual hydrographic survey of the river.</li> </ul> <p>The reserve is to be maintained at a targeted fund of up to \$400,000.</p>	Harbour safety and navigation
Investment and growth reserve	This reserve was created to represent the investment income set aside and held in reserve to fund activities and projects that contribute towards economic wellbeing, in accordance with set criteria.	Economic development
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
Emergency services reserve	This reserve represents any accumulated targeted emergency services rates collected and unspent in any given year, and held in reserve to cover any future funding shortfalls of emergency services funding.	Community representation and engagement

Approved carry forwards reserve	Approved carry-forwards are 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
Economic development reserve	This economic development 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
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. The balance of these reserved funds will initially be utilised to fund a grant to the Te Hiku Sports Hub, which was originally planned to occur in May 2020 but was deferred due to Covid-19.	Economic development
Operational reserve	This reserve was established to represent the term deposits held to ensure the stability of work programmes, employment and council's ongoing, day-to-day operations, by ensuring the portion of annual operating costs that is intended to be funded from gains derived from council's managed funds is in reserve. This will cover any unanticipated loss in council funding arising from adverse economic conditions or volatility in financial markets.	All
Capital subsidy reserve	This reserve represents capital subsidies received from Waka Kotahi NZ Transport Agency that will be used to offset the future costs associated with the Regional Integrated Ticketing Information System.	Transport
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 Program
Enterprise system reserve	This reserve represents the shortfall in funding relating to the enterprise system. 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.	Enterprise System
CDEM joint emergency centre reserve	This reserve represents the shortfall in funding relating to the CDEM joint emergency 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.	CDEM Joint Emergency Centre
Vessel replacement reserve	This reserve represents the balance of the borrowing remaining on the replacement vessel for the Waikare, which will be funded from future rates. In addition this reserve will hold rate collected over the life of the vessel to fund the next replacement vessel. any accumulated rate to fund the next vessel.	Harbour safety and navigation
IRIS Next GEN Reserve	This reserve represents the shortfall in funding relating to the the IRIS Next GEN project. Any deficit balance in this reserve will be restored to a positive balance from future rates collected.	Information Technology

All reserves displaying a deficit balance at 1 July 2022 have an associated targeted rate that will generate income over a certain time period in order to return the reserve to a credit balance.

## 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.

		Target	Annual Plan 2023/24
<b>Affordability</b>			
<i>Benchmark</i>			
Rates Benchmark*	i) Total Rates as % of Total Revenue	< 75%	61%
	ii) Total Average Rates Increase as %	< 15%	11.40%
Debt Benchmark	Net Debt as % of Total Revenue	< 175%	-52%
<i>Indicator</i>			
Rates Indicator**			\$560.27
<b>Sustainability</b>			
<i>Benchmark</i>			
a) Balanced budget benchmark		> 1	1.01
b) Essential services benchmark****		> 1	0.00
c) Net Interest as % of Revenue		< 10%	1.40%
d) Liquidity		> 110%	324%
<b>Predictability</b>			
<i>Benchmark</i>			
Operations control benchmark***** (result to be published in the annual report)			N/A
Rates income complies with the limits set in the councils financial strategy*			
Rates Revenue per rating unit/SUIP**			

Council's essential services benchmark is forecast to be breached in 2023/24. This is due to government funding enabling the acceleration of our rivers capital programs, requiring capital expenditure to be moved forward. This breach is considered to be prudent, as it enables work on rivers programmes to be completed earlier than scheduled.



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