

Vision & Mission



He mea Kite...He mea Mahi

The Far North:

Te Taitokerau ki te Raki

Frontier of Opportunity

Te Huarahi Whakapuare o nga Moemoea

Far North District Council's Mission:

Nga Mahi Whakahiahia o te Kauhihera

- To provide effective leadership and responsive, affordable services

Kia tika te mahi arahi i te iwi; horo rawa te tuku, iti rawa te utu

- To value our diverse lifestyles and unique environment

Whakanuitia nga mea o te rangi, o te whenua, tae atu ki tena, ki tena o tatou

- To build trust within stronger and safer communities

Kia hanga ai te whakapono, te kaha me te rangimarie, i waenganui i nga iwi

- To promote economic, social and cultural advancement of the Far North

Kia haere mua ai Te Taitokerau i nga kaupapa e pa ana ki te oranga tangata



Introduction



The purpose of the Annual Report is to look at Council's accomplishments in the financial year from 1 July 2010 to 30 June 2011. The Annual Report is the primary means of advising the Far North Community of Council's financial and non financial performance during the 2010/11 financial year against the objectives set out in the Council's Long Term Community Plan and the 2010/11 Annual Plan budget. The Annual Report also outlines challenges which the Far North Community has faced.

This Annual Report 2010/11 is the second in the series to be produced in the measurement against our Ten Year Plan 2009/19 (otherwise now known as the Long Term Plan). For this reason, we have branded this report the "Second year into our footprint on the future".

Council has taken the decision to reduce its impact on the environment by not printing the full Annual Report document. Instead a compact disk (CD) version is available and the full printed Annual Report is available online at www.fndc.govt.nz. Both are available by request.

Activity Groups at a Glance

The council core services are categorised into activity groups. These groups and the primary services associated with each are as follows:

Roads and Stormwater

- Road Network
- Stormwater

District Facilities

- Airports and Maritime
- Cemeteries, Public Toilets and Town Maintenance
- Community Centres, Halls, Museums & Pensioner Housing
- Community and Economic Development
- i-SITEs
- Libraries
- Lighting, Carparks and Footpaths
- Motor Camps
- Community Activities – Recreation

Sustainable Environment and Consents

- Development Consents
- District Plan and Structure Planning

Governance and Corporate

- Customer Services
- Field Services
- Finance and Business Performance
- Governance
- Human Resources
- Māori Development

Water and Waste Management

- Water Supply
- Wastewater
- Refuse and Recycling

More details about these activity groups are on pages 83-158.



Message from the Mayor



Kia ora tatou

A slow recovery from the global recession meant another tough year for Council and the district. Regional unemployment of 8.5% was slightly lower than in 2009/10 on the back of modest job growth, but remained the highest in New Zealand. The building industry - a reliable bellwether of the economy and source of revenue for the council - fared worse. Council issued only 163 building consents for new dwellings during the year, 67 fewer than in 2009/10. But there were plenty of reasons to be cheerful in 2010/11.

Two big Council projects got underway, providing much-needed employment in the Kaitaia and mid-north areas. Construction of the Te Ahu Centre in Kaitaia started late in 2010 after a major refurbishment of the Far North Community Centre, creating work for builders and trades people. 50 contractors had been employed on the project at the end of June 2011, with 33 of these based in Kaitaia or other Far North centres. Te Ahu Trust had paid contractors a total of \$8.4 million at the end of June 2011. This represents a massive boost to the economy at a time when jobs are scarce. I am thrilled that my Council and Te Ahu Trust have got this exciting project to this stage and I look forward to seeing the Centre open and invigorate the Kaitaia community later this year.

It was also great to see the Pou Herenga Tai - Twin Coast Cycle Trail finally come off the drawing board, thanks to a \$4 million grant allocated under the National Cycleway Project. Construction of the 72km Trail got underway in July 2010 and it was a real pleasure to cycle the 13km Okaihau-Kaikohu section of the trail with hundreds of

others when it was finished last May. Riding the Cycle Trail offered local people an exciting glimpse of the recreational and job opportunities the Trail will offer when it is finished. The project has already created jobs for dozens of young, unemployed people under Work & Income's Community Max scheme.

For some of these people, being part of the Cycle Trail project could lead to a new career and prove to be a life-changing experience. Work & Income and Council have highlighted the long term job opportunities the Trail will offer. These include providing accommodation, food, coffee, cycle hire, transport and tour guide services to cyclists and trail walkers. Cyclists from across Northland are already using the trail and more will come from further afield when they are able to cycle from Horeke to Opuha, according to Cycle Trail expert, Jonathan Kennett. The Trail also has the potential to become part of a network of cycle and walkways that encourage visitors to spend longer in the district, delivering economic benefits to communities across a bigger area. People using the Trail



will have the option of doing a full circle Bay of Islands walk from Opuia using ferries and public walkways between Okiato and Russell and Paihia and Opuia. There is also talk of eventually extending the trail from Horeke to Rawene. This is exciting stuff!

Another project with potential to create huge wealth for the district is work the Northland Mineral Development Group is undertaking to assess the economic value of the region's mineral resources. An aeromagnetic survey commissioned by the group with \$2 million of government funds began at the start of 2011 and was completed a few months ago. I hope the survey report, which will be available in February 2012, will confirm optimistic studies by GNS Science and the New Zealand Institute of Economic Research about Northland's mineral wealth. These estimate that mining the region's mineral deposits would increase the region's gross domestic product by about \$280 million a year and create 2,700 full-time jobs. The data will also provide valuable geological and natural resource information that will assist the planning of infrastructure and improve land suitability assessments for agriculture, forestry and horticulture. I am especially pleased that the council has played a leading role in getting this survey off the ground and I look forward to making the most of this opportunity for the district.

In our last Annual Report, I mentioned that the district suffered the worst drought on record in 2009/10. Months of dry weather resulted in public water supplies falling to critically low levels, especially in Kaitiaki where the Awanui River was reduced to a trickle. I am pleased to report that Council has negotiated an agreement with a landowner to pipe water from the Sweetwater aquifer and is awaiting the outcome of a resource consent application to the Regional Council.

Kaitiaki residents could be drinking high quality water that requires little chemical treatment at no extra cost if the Regional Council approves the application. In our last Annual Report, I mentioned that the district suffered the worst drought on record in 2009/10. Months of dry weather resulted in public water supplies falling to critically low levels, especially in Kaitiaki where the Awanui River was reduced to a trickle. I am pleased to report that Council has negotiated an agreement with a landowner

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Ratepayers will also be pleased to hear that Council is investigating ways of making our rating system more equitable. A working group of Councillors and staff have been meeting to consider how rating policies can be improved so that people contribute to the funding of services and infrastructure on a fairer basis. We look forward to publicising the group's proposals when we seek public feedback as part of consultation of next year's Long Term Plan. We also look forward to rolling out a new Council vision, which promotes the district as a top place for talent to live, work and invest. New values adopted by Council require staff to bring a can-do attitude to work and task them with developing innovative, low-cost, high-value approaches to problems.

I can't finish without mentioning the Rugby World Cup which may or may not be over when this report rolls off the printing presses. Our Council played a leading role during the last financial year in preparing the district to host teams from Canada, Japan and Tonga during pool play. It has also encouraged businesses and communities to make the most of this rare opportunity to showcase the best the district has to offer to a worldwide audience.

We hope this work pays dividends in years to come when friends and relatives of world cup spectators visit the Far North to see why so many of us choose to call this beautiful place home.

This is all good stuff!

Mayor Wayne Brown



Message from the Chief Executive



The council continued to make gains in terms of its business performance and relationships with communities it serves in 2010/11. Much of this was due to outcomes from Project Opportunity which the council initiated two years ago to overhaul all aspects of the way it does business. Better interaction with community groups and organisations - aimed at maximising levels of investment the council is able to make in a tough economic climate - also helped. The council also started one of the final phases of organisational restructuring. This involves a complete revamp of infrastructural services and will come into full effect before the end of 2011.

The main thrust of these changes is to provide for a number of external services to be brought back 'in house' to improve the level of supervision and performance and to achieve an overall reduction in costs.

Council also achieved improvements in response times for consents, with 99% of building consents now meeting statutory deadlines and 97% of resource consents issued on time.

It maintained concentrated debt recovery efforts and set parameters for a comprehensive review of rating policy and practices.

A working group of elected members and management has been established to complete the review which is largely prompted by inequalities that emerged from the 2010 district revaluations. The group will also review funding streams such as water and wastewater charges in a bid to find more equitable solutions.

Council made progress in obtaining a rethink of the way government agencies, such as the New Zealand Transport

Agency, set priorities for funding assistance. But there is still some way to go before rural roads receive an equitable share of agency subsidies. Council rehabilitated 11 km of roads during the year, resealed 68 km's of road and completed 3 km's of seal extensions. Restrictions in access to subsidies and the extremely difficult financial climate meant that Council was only able to complete two of the following three capital roading projects. These were the final stage of the Waipapa Road reconstruction and a 2.1 km seal extension on Rawhiti Road. A further 2 km's of work on Waimate North Road was completed but the full programme of work is due for completion before the end of 2011.

Our Council lodged a Resource Consent application to take water from the Sweetwater aquifer for its Kaitaia water supply which was severely threatened in previous years. It also reached an arrangement with a private company to supply water from the aquifer. Council completed an upgrade of the Kerikeri Water Treatment Plant and a new Ngawha wastewater project. An upgrade of the Kaeo wastewater scheme is well-advanced.





A financial breakthrough was reached with the Ministry of Health which agreed to make a subsidy of up to \$7.2 million available for the Bay of Islands Wastewater Scheme. The scheme will reticulate all major urban areas in Kerikeri and Waipapa when completed. Council hopes to be in a position to start construction before the end of 2011, having received Resource Consent in August 2011.

However, there remain some outstanding issues to work through in the design of the project to satisfy both the subsidy conditions and issues of community affordability.

In solid waste, Council is on target to halve the volume of waste from transfer stations going to landfills for final disposal by 2013. It passed the 50% recycling mark and continued a waste minimisation campaign to ensure the momentum is maintained. We also opened new recycling facilities at Rawene, Whangaroa, Maromaku, Motatau, Okaihau and Horeke. Peak season facilities are also now available at Te Uenga Bay near Rawhiti and at Opuā.

Rural fire administration was this year passed over to the Northern Rural Fire Authority with savings anticipated from the merger.

In recreational areas, Council reached an agreement with the Russell community, which will lead to a major upgrade of wharf facilities at Russell. We also completed the Kerikeri Sports Complex by adding netball courts and sealed parking. A small grandstand was built at the Kerikeri Domain and cosmetic improvements made to the pavilion, enhancing that facility. Bledisloe Domain was

upgraded for use as a training venue by Rugby World Cup teams. Progress was made on measures to improve public use of Lindvart Park at Kaikohe. Council enhanced Parkdale Reserve in Kaitaia by adding netball courts in a collaborative project with the local community.

We also improved stadium amenities and a carpark at Bay Sport in Waipapa in a collaborative project with the facility's administrators. The major recreational achievement of the year was the opening to public use of the first 13 km's (Okaihau to Kaikohe) of the Pou Herenga Tai -Twin Coast Cycle Trail from Horeke to Opuā. Substantial progress was also made on trail formation between Kaikohe and Kawakawa.

It has been a year of significant achievement in spite of the economic recession and the rapidly mounting cost of services. Despite this climate, the 2010/11 result was well above average in comparison to our peers.

However, the worst may be yet to come and there is absolutely no room for complacency moving forward.

David Edmunds – Chief Executive



Our District



The Far North is the northernmost district in New Zealand, sharing its southern boundaries with Kaipara and Whangarei Districts.

Together, the three districts make up the Northern Region. With 7,324 square km's, the Far North District is the largest of the three districts, contributing 54% of the land area and 38% of the region's population. This land area includes a significant amount of unrateable land belonging to Department of Conservation and Māori. The number of rateable properties is 35,373. The Far North District Council is the second largest local authority in terms of land area in the North Island after the new Auckland super city.

The district also has 2,347 km's of coastline which includes offshore islands and 9 major harbours. Most of the land is rural, resulting in 15 widely dispersed small urban settlements with populations of between 500 and 6,000 people. The three service towns of Kerikeri, Kaikohe and Kaitiāia have the largest permanent populations. Home ownership in the Far North is higher than the average for New Zealand and rental costs are lower compared with the national average.

The district in 2011 had an 18,180-strong labour force with a varied skill base, in part mirroring the district's diverse heritage, culture and knowledge. This diversity gives the district's people the opportunity to make lifestyle choices. The district was serviced by 7,626 local businesses. The retail sector employs the largest percentage of workers at 14%.

The 2006 census put the usual resident population of the Far North District at 55,845. Because of the Christchurch earthquake the new census has been postponed to 2012. However, the population for the district is predicted to currently be 59,100 by Statistics New Zealand. In the 2006 census, 39.6% of the district's population indicated that they belonged to the New Zealand Māori ethnicity group. This compares with a national average for Māori ethnicity of 14%.

Between 2001 and 2006, the Far North's population grew by 2.3% with substantially higher levels of growth in many settlements on the eastern seaboard. In addition, the Far North receives a large influx of visitors during the summer season with population conservatively estimated at 110,000 at any one time. Drawn by the region's beautiful beaches and harbours, these visitors more than treble the population of some coastal settlements at peak times.

At the last census there were about 16,000 families in the district of which approximately half have children. The average household size was about 2.7 people, which equates with the national average.

Major revenue earning industries for the Far North are agriculture (including forestry and horticulture), tourism, aquaculture and fishing. Tourism and agriculture continue to be real growth industries as the attractions of the district and its environmental values become more widely recognised internationally.





Representation - Council

as at 30 June 2011



Back Row - Left to right:

Fran Mikulicic - General Manager Environmental Management, David Penny - General Manager Infrastructure and Asset Management, Cr Colin Kitchen, Cr Tom Baker, Cr Steve McNally, Bernard Murphy - General Manager Corporate Services, David Edmunds - Chief Executive

Front Row - Left to right:

Cr Di Maxwell, Cr Monty Knight, Cr Ann Court, His Worship the Mayor Wayne Brown, Cr Tracy Dalton, Cr Mate Radich, Cr Sally Macauley

Portfolios

Mayor Brown

LGNZ / Area / Rural Representatives
LGNZ Zone / Executive
Economic Development / Business Associations
Sewerage / Water Working Party
Rates / Development Contributions
Sister Cities Representatives
Kerikeri Civic Trust ('The Douglas Turner Centre')
NRC / Mayoral Forum
Te Ahu Charitable Trust

Councillor Court

Environmental Management (Resource Consents / Town Planning / District Plan)
Sewerage / Water Working Party
National Marine Park for Northland Working Group
Kerikeri Domain Trust
Northern Regional Policy Statement Committee Monitoring
NRC / Mayoral Forum

Councillor Maxwell

Rates Postponement Project Joint Committee
Genetically Modified Organisms (GMO) Inter Council Working Party
Audit and Finance (Chairperson)
NRC Environmental Management Committee and Subcommittee (Regional Water and Soil Plan for Northland Working Group)
Communities for Climate Protection NZ



Councillor Kitchen

Northland Civil Defence Emergency Management Group
Northland Conservation Board / DOC liaison person

Councillor Baker

Northland Road Safety Forum
Building Consents
Roading – South
Sewerage / Water Working Party
Pensioner Housing

Councillor McNally

District Facilities
Far North Holdings Limited
Kerikeri Waipapa River Liaison Group
Sewerage / Water Working Party
Kerikeri Domain Trust
Rates / Development Contributions
Cycleway
Rates Postponement Project Joint Committee
Sport Northland / Regional Physical Activity Strategy
and other sporting activities / Northland Sport
and Physical Activity

Councillor Knight

District Facilities
Sister Cities Representatives
Enterprise Northland / Destination Northland
Te Ahu Charitable Trust

Councillor Dalton

District Facilities
Cycleway
Māori Representation Task Group

Councillor Radich

Roading - North

Councillor Macauley

Kaikohe Pioneer Village
Kerikeri Civic Trust ('The Douglas Turner Centre')
Enterprise Northland / Destination Northland
Creative Communities Funding Assessment Committee
(Chairperson)
Kerikeri Domain Trust

Outgoing Council

(October 2010)

Wayne Brown – Mayor (re-elected October 2010)

Sally Macauley – Deputy Mayor and Councillor Kaikohe-Hokianga – (re-elected Kaikohe-Hokianga October 2010)

Laurie Byers – Councillor Kaikohe-Hokianga – (not re-elected)

Ian Bamber – Councillor Te Hiku – (not re-elected)

Colin Kitchen – Councillor Te Hiku – (re-elected Te Hiku October 2010)

Dennis Bowman – Councillor Te Hiku (re-elected as Te Hiku Community Board Member October 2010)

Tom Baker – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)

Di Maxwell – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)

Ann Court – Councillor Bay of Islands-Whangaroa – (re-elected Deputy Mayor, Bay of Islands-Whangaroa October 2010)

Steve McNally – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)



Bay of Islands – Whangaroa Community Board

As at 30 June 2011



Back Row - Left to right:

Johnson Davis (Elected: October 2010), Terry Greening (Elected: October 2010), Harko Brown (Elected: October 2010), Bruce Mills (Elected: October 2010)

Front Row – Left to right:

Marcia Wendelborn (Advisory Services Officer), Belinda Ward (Elected: October 2010), Florence Annison (Elected: October 2007), Doug Turner (Elected: October 2010)

Appointments

Harko Brown - National Community Board Executive Committee

Harko Brown - Māori Representation Task Group

Florence Annison - Kerikeri Civic Trust ('The Douglas Turner Centre')

Outgoing Bay of Islands – Whangaroa Community Board (October 2010)

Paul Goringe – Chair (not re-elected)

Florence Annison – Deputy Chair (re-elected 2010)

Craig Fountain (not re-elected)

Gray Phillips (not re-elected)

Stephen Timmings (not re-elected)

Margaret Wikaire (not re-elected)

If you need to contact a Community Board Member, then either refer to the contact details on page 163 of this document or www.fndc.govt.nz/contact-us



Kaikohe – Hokianga Community Board

As at 30 June 2011



Back Row - Left to right:

James Hikurangi (Hiku) Cherrington (Elected: October 2007), Mark Anderson (Elected: October 2010), John Schollum (Elected: May 2008 (By Election)), Warren Gundry (Elected: October 2010), Win Stephens (Elected: October 2007), Leif Pakai (Elected October 2010)

Front Row:

Aisha Huriwai (Council Advisory Officer)

Appointments

Hiku Cherrington - Māori Representation Task Group

Outgoing Kaikohe – Hokianga Community Board

(October 2010)

Tracy Dalton – Chair (re-elected Councillor 2010)

Emma Davis – Deputy Chair (not re-elected)

James Hikurangi (Hiku) Cherrington (re-elected 2010)

Win Stephens (re-elected 2010)

John Schollum (re-elected 2010)

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Te Hiku Community Board

As at 30 June 2011



Left to right:

Wilhelmus (Willy) Van Der Sluis (Elected: October 2007), Clara Lugnet (Elected: October 2010), Sydney Lawrence (Lawrie) Atkinson (Elected: October 2007), Dennis Bowman (Elected: October 2010), Yvonne Smith (Elected: October 2010), David Senior (Elected: October 2007), Sheryl Bainbridge (Advisory Services Officer)

Appointments

Dennis Bowman – Refuse

David Senior – Disability Action Group

Outgoing Te Hiku Community Board

(October 2010)

Fiona King – Chair (not re-elected)

Phil Cross – Deputy Chair (not re-elected)

Sydney Lawrence (Lawrie) Atkinson (re-elected 2010)

David Senior (re-elected 2010)

Wilhelmus (Willy) Van Der Sluis (re-elected 2010)

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