

Governance and Strategy Group



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The Governance and Strategy Activity is the activity that has the overall responsibility for the operation of the democratic aspects of the district and helping guide its strategic direction. It also includes the Economic Development and Māori Engagement activities of Council.

The Elected Members of the community, combined with the technical expertise of staff, provide the direction and objectives of Council's activities in the district.

Governance is not only a legal requirement, but a commitment to delivering value for money and prudent management that contributes to all community outcomes.

Activity: Governance

The Governance activity includes the democratic arm of Council as the elected body, together with 3 community boards. It also includes their support functions.

It provides the primary legal and other support functions to the Mayor and Elected Members together with the General Management Team.

The Elected Members of the district are the community's representatives; making decisions on behalf of and in the interests of the community.

Democracy services oversee the election and induction processes, and then provide support to Elected Members throughout the triennium. Local Government impacts everyone, so it is important for Council to communicate with people about what it does, what is planned, and how it may impact the district.

Local Government administers over 150 legislative Acts, regulations and rules. Legal Services ensure Council administers these correctly.

Key facts

Council provides the following Governance Services to the District Council organisation and to the Elected Members of the Far North:

- Advisory Services. (i.e. preparation of formal meeting agendas and meeting management).
- Communications (media releases, ratepayer newsletters, etc).
- Legal Advisory Services.

Our major achievements in 2012/13

Highlights of our progress during 2012/13 include:

- Increased usage of online consultation tool "Objective Online" for community engagement across a number of projects including District Plan changes, LTP special consultation. The major improvement is building a community profile for targeted questions and responses which Council has not had before.
- A monthly newsletter about Council and community board projects, decisions and policy changes in local newspapers.
- Generally favourable news coverage of Council in local newspapers.
- A significant increase in the number of people following Council on Facebook. This has allowed us to reach a different audience in a cost-effective way. Some media releases Council has posted on Facebook have been seen by more than 1000 people in just a few days.
- A more customer-oriented Far North District Guide. Council refocused this year's guide, which is published by The Northern Advocate and paid for by advertisers, on key Council services instead of trying to provide an A-Z guide of everything Council does.
- A regular staff newsletter called Team Talk which highlights progress on strategic projects and celebrates innovative or enabling initiatives by staff.

Challenges we experienced

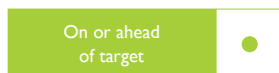
- A proposal to close Ninety Mile Beach (Te Oneroa-a-Tōhē) to allow the BBC programme "Top Gear" to film was not well communicated by Council, and some Iwi complained they were not consulted about the road closure. Council staff and Elected Members met with Iwi leaders and agreed to improve the way Council engages with Iwi.

Plans for the next 12 months

- Conducting the 2013 local body election and inaugurating the new Council and community boards.
- Progressing an application for Unitary Authority status.

How we performed against the first year of the Long-Term Plan (LTP) 2012/22

The tables below reflect the progress of our key work during 2012/13. Each action/project is linked to the strategic objectives and priorities set in the LTP. The progress at the end of the financial year against each action/project has been represented by:



Strategic Objective:
A leaner, more customer focused organisation.

2012/13 Action/project	Background	Progress
PRIORITY 1: Ensure continued quality in the democratic processes by:		

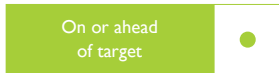
Providing sound and legally correct advice	The Council is under a duty to comply with a wide range of legislation while fulfilling its various functions	●
<p>Progress comments: Achievements indicate that high-quality and timely advice from the Legal Team has enabled Council officers to proceed with confidence. The judicious use of external legal advisers has assisted where necessary. Examples: Prosecutions have been successfully undertaken with the High Court granting an injunction in regard to the Kaikohe Hotel. Legally sound advice was provided in respect of the development of the Walls Bay Reserve Management Plan and the acquisition of the Lucy Elizabeth Williams Scenic Reserve.</p>		

Providing support for all Elected Members	Ensuring adequate information is provided to all Elected Members	●
<p>Progress comments: In addition to the Council's formal meetings of Council and community boards a variety of workshops have been held to discuss the Council's Sustainable Growth Strategy, Kaitaia Water Supply, Bay of Islands Wastewater Scheme, Butler Road Bypass, Pou Herenga Tai-Coast to Coast Cycle Trail, Economic Development. Discussions have also taken place at both workshops and formal meetings to build stronger relationships with both the forestry and farming Industries, New Zealand Police, Northland Regional Council and New Zealand Transport Agency (NZTA).</p>		

2012/13 Action/project	Background	Progress
PRIORITY 2: Encourage community involvement in local government by:		

Supporting the community boards in engaging with their local communities	To highlight the value community boards add to their communities	●
<p>Progress comments: Council staff continued to publish regular media releases highlighting the value community boards add to their communities by way of grants allocated to community groups.</p>		

Supporting the community boards in engaging with their local communities	community board monthly meetings	●
<p>Progress comments: The community boards continue to travel to various communities across the district to conduct their monthly meetings. Each meeting is advertised and members of the public are invited to speak to raise matters or listen to discussions throughout the meeting. Community boards also actively seek feedback from their communities regarding particular projects such as the Aquatic Feasibility Study.</p>		



2012/13 Action/project	Background	Progress
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Keeping residents and ratepayers better informed about what the Council is doing and why	This information is captured through the annual community feedback survey	●
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Progress comments: The level of community knowledge about Council remains on par with last year with 50% of respondents indicating they know a lot or a fair amount about Council and its activities. Residents aged 60 years and older are more likely to indicate that they know a lot about Council in general, while residents aged between 18 and 39 years are more likely to indicate that they do not know enough.

Reviewing the Council's website and the communication tools available to staff	Business case prepared for Far North District Council website and communication tools	●
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Progress comments: Council staff began scoping a review of website content, as well as cost-effective options for communicating directly with ratepayers to reduce advertising costs. Further work will be done on this in 2013/14 and improvements will be rolled out as part of Council's Annual Plan consultation.

Providing publicity and encouraging participation in the 2013 triennial elections	Providing potential candidates knowledge on Local Government and Council strategic initiatives.	●
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Progress comments: Three workshops held providing potential candidates with information relating to Council structure, election process, overview of the district, commitments etc. A total of 42 potential candidates attended the seminars. Council also published a Pre-Election Report about Council's finances and issues facing the organisation, to inform public debate during the pre-election period.

2012/13 Action/project	Background	Progress
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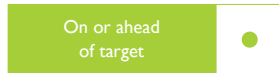
PRIORITY 3: To retain an awareness of developments in Central Government matters by:

Lobbying for or submitting in respect of changes to legislation affecting or supporting Council functions	Develop submissions from Council with appropriate stakeholders to highlight potential impacts on rural councils, support good initiatives or offer alternate solutions.	●
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Progress comments: Continue to research The Parliament and agencies (e.g. Department of Conservation, Department of Internal Affairs, New Zealand Transport Agency) websites for changes to legislation, strategies, policies and national standards that will impact on Council.

Advocating for Government support for local initiatives and Council works and/or services	<p>A unitary authority is a single Local Government body that combines territorial and regional government functions within one geographical area.</p> <p>The Council and Te Taitokerau Iwi Leaders Forum formed a Better Local Government in the Far North Working Group in April 2012 to develop a unitary authority proposal for two unitary authorities in Northland that responds to law reforms aimed at:</p> <ul style="list-style-type: none"> • localising governance of the Far North • refocusing local government on core business • tightening fiscal controls at councils • streamlining council reorganisation procedures • advancing Māori representation 	●
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Progress comments: Our Council was the first Council in NZ to submit an application for a unitary authority under the new legislation. Compliance for an application saw a comprehensive document delivered to the Local Government Commission late last year: Council has continued to provide the Commission supplementary information to further support the application. One notable piece of additional information was the survey conducted across Northland that showed an 86% preference for two unitary authorities for Northland if the existing structure was to change.



2012/13 Action/project	Background	Progress
PRIORITY 4: Ensure that Council secures best value from property holdings and office accommodation by:		
Continuing to identify properties that can be offered to the Office of Treaty Settlements as part of the Crown's commitment to settling Treaty of Waitangi grievances, therefore promoting the development of Māori within the Far North. This process will be subject to appropriate consultation with the Office of Treaty Settlements and will involve the local communities concerned	The Office of Treaty Settlements has suggested a range of Council owned properties that may assist in providing cultural redress for Te Rarawa and Nga Takotou	●
Progress comments: The Council has agreed to transfer six properties to the Crown, at market valuation, for inclusion in the Te Runanga O te Rarawa's Deed of Settlement.		
Continuing to identify properties that are surplus to requirements and can be sold to generate funds for other strategic needs (subject to appropriate consultation where necessary with the local communities concerned)	Properties that can be sold to generate funds for other strategic needs (subject to appropriate consultation where necessary with the local communities concerned)	●
Progress comments: A number of these remain on the market for sale. There is little activity in the market for land parcels at this time.		
Continue to secure an economic return on properties available for lease or rental by commercial or other users.	Where a property is identified as available for lease or rental, the property will be offered to the widest range of potential users to obtain the best commercial return	●
Progress comments: Interest for the use of the buildings has been sought and commercial leases are in place where this has proved possible. The former Council service centre has been developed and now houses the Kaitia Education Campus. Old i-SITEs building requires a change in reserve status before the lease can be completed.		

Community Outcome: A Sustainable and Liveable Environment and a Vibrant and Thriving Economy

About this Outcome: Support provision of compliant local governance, administer community funding programmes and communicate Council decisions.

Actual achievements against the Key Performance Indicators (KPI) and targets that the Council uses to monitor levels of service are detailed below:

KPI: Percentage of residents aware of their community board	LTP Target	Result 2012/13
<p>NOT ACHIEVED: 49% of residents are aware of their local community board that operates in their area, an increase on last year; but below the KPI target for this aspect. Council will continue to publish regular media releases highlighting the value of community boards.</p> <p>Also public are invited to community board meetings to speak, raise matters or listen to discussions throughout the meeting.</p>	73%	49%

Graph shown below details a three year view of performance:

Year	Target (%)	Result (%)
2009/10	71.5%	65%
2010/11	73%	50%
2011/12	74.5%	43%

KPI: Percentage of residents who feel well informed about what Council is doing	LTP Target	Result 2012/13
<p>NOT ACHIEVED: Overall, the proportion of residents who feel well informed or informed about Council and its activities is below the KPI set. More residents indicate that they are unsure how to rate this aspect.</p>	60%	50%

Graph shown below details a three year view of performance:

Year	Target (%)	Result (%)
2009/10	45%	40%
2010/11	46%	53%
2011/12	47%	54%

KPI: Percentage of residents satisfied with ease of access to Council information	LTP Target	Result 2012/13
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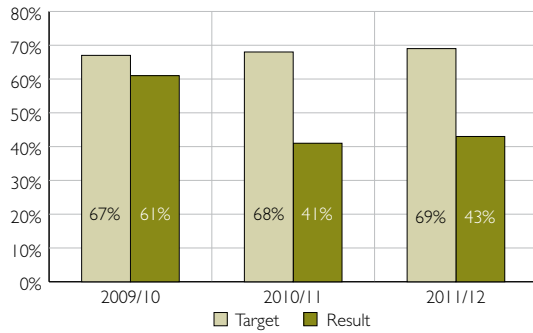
NOT ACHIEVED: Residents satisfied with the ease of access to Council information and services experienced no problems in accessing information, but those who are extremely satisfied also mention polite and helpful service, and describe ease of access as good or alright. Residents who are satisfied with the ease of access to information mention good promotion and information available in the community, with some indicating that no access to information is needed.

60%

44%

33% of residents who are dissatisfied with the ease of accessing Council information and services indicate this is due to a lack of information or communications.

Graph shown below details a three year view of performance:



KPI: Number of website hits for agenda minutes and strategic planning documents	LTP Target	Result 2012/13
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ACHIEVED: Council has developed many tools including the Council's Facebook page and reformed electronic agendas. Based on Google Analytics the Council meeting and strategic planning pages received 10,045 views. The Council continues to actively encourage the public to make submissions online or view the Council's planning documents online, which has resulted in an increase of hits to the Strategic Planning webpage.

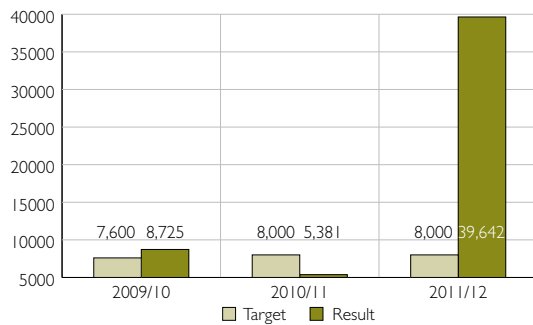
8,000

10,045

The graph below on 2011/12 result was a lot higher as this included website hits on all PDF governance documents not just for agenda and minutes. Council amended this KPI for the LTP to provide a better indication of progress.

Graph shown below details a three year view of performance:

(The difference being Website hits for agendas and minutes was used to monitor this KPI in previous years. The KPI was also amended from 2009 to provide a better indication of progress which included a calculation target change from percentage to a number.)



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Activity: Strategic Planning

The Strategic Planning Activity provides the overall, long-term direction for the district. It includes the development of this Long-Term Plan, and intervening Annual Plans. The Strategic Planning Team manages these documents and the public consultative processes.

As part of their function, the team is responsible for reviewing the community outcomes and a number of key policies.

As a new direction, Council is considering the development of a long-term Growth Strategy for the district. This plan will cover up to 30 to 50 years that will provide a comprehensive and co-ordinated blue print for the district.

If Council does decide to develop such a plan, it will involve considerable community involvement to ensure that the final document is meaningful and relevant.

Council's vision is to publish easy to understand and informative Plans and Policies which inform the community about how Council is planning to manage and grow the district into the future. Council aims to do this by working on long-term strategic planning processes.

Key facts

- The Long-Term Plan 2012/22 resulted in 1119 submissions.
- The Annual Plan 2013/14 was a shorter document but received 1352 submissions.

Our major achievements in 2012/13

Highlights of our progress during 2012/13 include:

- Increased usage of online consultation tool "Objective Online" for community engagement.
- A debrief of the LTP 2012/22 process was held with key participants and stakeholders. Key elements of this were incorporated into the 2013/14 Annual Plan process. Examples include software issues and the appointment of a project manager.
- The Annual Plan 2013/14 was adopted by Council on 27 June 2013. Out of the 1352 submissions received on the draft Plan, 104 submitters requested a hearing, and 1052 requested an indoor heated pool complex in Kaitaia. Other key concerns were regarding proposed rating changes, in particular a targeted roading rate, as well as opposition to removal of the Community Grants Scheme. Final responses to submitters were processed in July 2013 and completed on time.

Challenges we experienced

- Required additional resource to project manage the LTP to ensure the pre-draft, draft and final documents could be produced on time for audit, and the community public consultation process.
- Additional resources also required during the Annual Plan Special Consultative Procedure to ensure processing of submissions met the required time-frames for hearings, deliberations and response letters to submitters.

Plans for the next 12 months

- Completing the 2014/15 Annual Plan on time.

How we performed against the first year of the Long-Term Plan (LTP) 2012/22

The tables below reflect the progress of our key work during 2012/13. Each action/project is linked to the strategic objectives and priorities set in the LTP. The progress at the end of the financial year against each action/project has been represented by:



Strategic Objective:
A leaner, more customer focused organisation.

2012/13 Action/project	Background	Progress
PRIORITY 1: Improve the quality of the key strategic planning documents to encourage a greater community participation in the process.		
LTP and Annual Plan documents, including the Summary document	Utilise professional communications and graphic design personnel to create the format and design of documents.	●
Progress comments: Considerable improvement in presentation of documents resulting in a more user-friendly format.		

2012/13 Action/project	Background	Progress
PRIORITY 2: Consider a greater use of modern communication techniques to improve the way that Council consults on its Plans and Policies.		
Objective Online	Increased usage of online consultation tool "Objective Online" for community engagement across a number of projects including District Plan changes, LTP and Annual Plan Special Consultative Procedure. Aligned the format of the online consultation portal, to better reflect the Summary document and submission form. Changes to submission form data.	●
Progress comments: The major improvement is building a community profile for targeted questions and consultations which FNDC has not had before; new data allows for more cost effective and efficient communication of key correspondence to submitters by email.		
Media Releases	LTP and Annual Plan media releases posted on Facebook.	●
Progress comments: Enabled communication of LTP and Annual Plan information, with different sectors of the community, in a cost-effective way.		

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Activity: Economic Development

Council's Economic Development activity works to strengthen the district economy and attract new business to the Far North by promoting it as an investment destination. This includes working to ensure that Council delivers on its promise to be a business friendly organisation. It also works with businesses and education providers to ensure that appropriate and timely skills training is available to the community.

In relation to economic development, Council works to contribute to a strong, growing and sustainable district economy that makes a tangible and positive difference to the people of the Far North, with a particular focus on attracting investment to the district.

Key facts

Council supports or manages a number of economic development initiatives including:

- The Live Work Invest promotional campaign and website.
- The Buy Far North promotional campaign and website.
- The Business Navigation service.
- Promotional, informational, and multimedia displays for economic expos.

Our major achievements in 2012/13

Highlights of our progress during 2012/13 include:

- Northland Economic Advisory Group for Northland was established to lead the process of driving the regional Economic Development Action Plan that emerged from the two workshop summits. These workshops along with subsequent review workshops were supported by Council. Council has also met regularly with Northland Inc. to discuss and implement various economic development opportunities.
- A review was completed and presented to Council regarding a marketing strategy that combines the function of current economic development initiatives with those that are required to leverage the Pou Herenga Tai-Twin Coast Cycle Trail project.

Challenges we experienced

- Council has resolved that economic development and marketing and promotion of the district would be best carried out by a business unit utilising existing Council staff under the management of Far North Holdings Ltd.

The initial work by this business unit will be to establish a strategy by which this can be undertaken and to ensure that the appropriate staff are available.

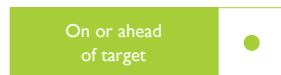
Plans for the next 12 months

- Preparation of a strategic business plan and working with Far North Holdings Ltd to strengthen the district's economy and market the district's attractions, such as Pou Herenga Tai – Twin Coast Cycle Trail.
- In partnership with the private sector, a Bay of Islands brand will be developed and launched. The brand will target the Auckland market to entice more visitors into the district, especially during tourism's shoulder and low

- seasons. A key component of this will be the promotion and growing of events in the district.
- Review of the Live Work Invest promotional campaign and website. The outcome of the review is to focus on attracting and actively targeting small and medium sized enterprises (SME) into the district.
 - Support the economic and business development of the Pou Herenga Tai-Twin Coast Cycle Trail.

How we performed against the first year of the Long-Term Plan (LTP) 2012/22

The tables below reflect the progress of our key work during 2012/13. Each action/project is linked to the strategic objectives and priorities set in the LTP. The progress at the end of the financial year against each action/project has been represented by:



Strategic Objective:
Responding effectively to the growth of the district.

2012/13 Action/project	Background	Progress
PRIORITY 1: Support the economic development of the Far North and attract inward investment		
Prioritisation of economic development projects	When carrying out effective economic development with limited resources then prioritisation of projects is paramount. Such prioritisation enables delivery of quality economic development outcomes for the district. These outcomes includes creating the right environment for business growth, that enables the development of potential new business opportunities, create jobs and / or promote up-skilling and training.	●
Progress comments: Council has worked successfully in partnership with Far North Holdings to prioritise economic development projects.		

2012/13 Action/project	Background	Progress
PRIORITY 2: Continue the wider promotion of the district		
Scope out and develop a Bay of Islands brand in conjunction with the private sector	The tourism sector has requested Council to support the re-invigorating of the under-utilised Bay of Islands brand	●
Progress comments: Council has worked successfully in partnership with Far North Holdings to develop the Bay of Islands brand that will be launched in 2013/14.		

Completed

On or ahead
of targetWithin 10% of target or
some moderate slippage

Significantly off target



2012/13 Action/project	Background	Progress
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PRIORITY 3: Contribute positively to communities by:

Supporting communities in the district to carry out their community planning processes to develop town centres in order to attract business investment. Working with small towns to implement a Small Town Beautification programme.	Council has started a 2 year project to produce a longer term sustainable plan for the district that will look out over the next 30-50 years at the communities' needs and how best to plan for them. It will combine elements of a spatial plan and a growth strategy in a cost effective manner that is appropriate to this district. The plan will build on aspects of the various community plans held by Council.	
Working with the Far North Disability Action Group	Support the Disability Action Group	



Progress comments: Council continues to support this action group to remove barriers for disabled people in the Far North District. In addition to providing secretarial support for their bi-monthly meetings the Council allocated a grant of \$15,000 as a discretionary fund to aid them in their efforts.

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Community Outcome: A Vibrant and Thriving Economy

About this Outcome: Council's processes aid the establishment of new businesses and industry. Council supports major events that contribute to the economy of the district. All towns are encouraged and supported to develop their town centres and communities to attract new business investments, tourism and community resilience which locals will be proud of.

Actual achievements against the Key Performance Indicators (KPI) and targets that the Council uses to monitor levels of service are detailed below:

KPI: Council supports 3 industry projects	LTP Target	Result 2012/13
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ACHIEVED: Through partnership working with Far North Holdings Limited (FNHL) Council has successfully supported 3 industry projects. Major initiatives are:

Bay Of Islands branding project including events;

Bee Venom added value industry project and;

Support for the economic development of the Pou Herenga Tai-Twin Coast Cycle Trail

*This KPI above is **new** in the LTP 2012/13. Unable to provide a three year view of performance.

KPI: Council supports 2 destination marketing projects	LTP Target	Result 2012/13
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ACHIEVED: Council has through its partnership with Far North Holdings Limited supported domestic marketing that prioritises the Auckland market and international marketing into Northland's target overseas markets of Australia, UK, USA and Europe. This marketing is facilitated by Northland Inc Tourism (formerly Destination Northland).

*This KPI above is **new** in the LTP 2012/13. Unable to provide a three year view of performance.

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Activity: Māori Engagement

Council has a number and range of statutory functions that require recognition and respect of the Crown's responsibility to take account of the principles of the Treaty of Waitangi as well as improving opportunities for Māori to participate in Council's decision-making processes. The opportunity and ability for Māori to participate enables them to provide for their wellbeing while recognising and providing for the relationship of Māori, their culture and traditions, with their ancestral lands, water, sites wahi tapu and other taonga.

As part of their function, the Māori Development activity is tasked with facilitating and liaising with Iwi/Hapu to give effect to Council's responsibilities.

Both the Resource Management Act 1991 and Local Government Act 2002 require Council to establish more formal, meaningful, and sustainable relationships with Māori. These relationships guided by the Treaty of Waitangi are intended to foster :

- Opportunities for Māori to contribute to decision making processes of Council.
- The development of Māori capacity to contribute to the decision-making processes of Council.
- The provision of information to Māori so they are enabled to contribute to the decision making processes of Council.
- Improved consultation with Māori by establishing key working parties and focus groups.

Key facts

- Nearly half the population (43%) of the Far North District population identify themselves as Māori.
- Approximately 18% of land in the Far North District is in Māori title.
- Approximately 43% of Māori in Tai Tokerau (Northland) are able to understand or converse in Te Reo Māori.
- There are approximately 144 marae, 10 Iwi Runanga and over 200 Hapu within the Far North District.
- Over the next 10 years the most significant Treaty Settlements will occur within the Far North.
- Council has received 8 Iwi/Hapu Management Plans that require facilitation and implementation.

Our major achievements in 2012/13

Highlights of our progress during 2012/13 include:

- Developed a unified model for direct Māori representation within a Far North Unitary Authority,
- Establishment of key working parties and focus groups with unitary Authority, economic development, rating and Māori reference groups to develop better working relationships, and build the capacity of these communities of interest.

Challenges we experienced

- Managing expectations and relationships.

Plans for the next 12 months

- Determining options for direct representation of Māori in Council decision making and finalising a strategy.
- Continuing with investigating options for the development of Māori land.

How we performed against the first year of the Long-Term Plan (LTP) 2012/22

The tables below reflect the progress of our key work during 2012/13. Each action/project is linked to the strategic objectives and priorities set in the LTP. The progress at the end of the financial year against each action/project has been represented by:



Strategic Objective:
Community Development.

2012/13 Action/project	Background	Progress
PRIORITY 1: Promote Māori representation.		

Māori Representation	Council in partnership with Māori have developing a unified model for direct Māori representation within a Far North unitary authority	●
<p>Progress comments: In developing a unified model for direct Māori representation within a Far North unitary authority, both parties have undertaken a campaign to inform the community of the benefits of Māori representation. A recent telephone poll initiated by Council to gauge demonstrable support for a unitary authority and Māori representation generated the following results :</p> <ul style="list-style-type: none"> • 98% want more efficient Local Government. • 86% support a single Far North unitary authority, rather than a Northland wide authority. • 69% accept Māori representation (and in the Kaikohe-Hokianga Ward this is as high as 91%). • 62% strongly agree/agree that better representation and participation for Iwi-Māori in the Far North will be achieved through Māori wards. • In an effort to consolidate this relationship, a partnership agreement has been drafted for consideration which will be presented to Council in the very near future. 		

2012/13 Action/project	Background	Progress
PRIORITY 2: Develop effective Māori Engagement.		

Māori engagement	Effective Māori engagement has occurred through Council / community boards and Iwi Leadership, the General Management Team and staff forums on matters of importance at a local, district and regional level.	●
<p>Progress comments: Over the last 12 months these engagements have resulted in the establishment of a number of working parties i.e. unitary authority, economic development, rating and Māori reference groups, and key focus groups to develop better working relationships and build the capacity of these communities of interest.</p>		
<p>Unitary Authority Working Party The application has been lodged with Local Government Commission. Te Waka Taiao (Iwi Leaders) and Council are working on a partnership agreement to firm up this relationship and ensure that this relationship is not put at risk should there be a change in leadership through the Local Elections 2013.</p>		

Economic Development Working Party

This forum has proved to be an extremely valuable tool for Māori to discuss economic development issues. It was agreed to facilitate economic development via Far North Holdings Limited (FNHL). FNHL has provided Council with an economic development progress update to Council.

The Rating Working Party

Council and Iwi Leaders have yet to confirm Terms of Reference for engagement and this is work in progress. Matters pertaining to rating have been put into abeyance in the interim due to concentrated efforts being placed on the unitary authority application and the associated relationships with Council, Iwi and community.

The Māori Reference Groups

Have been placed on hold until such time a determination is made in relation to Māori representation in Local Government.

2012/13 Action/project	Background	Progress
PRIORITY 3: Promote Māori Development		
Māori Development	Council is contributing to the sustainable development and management of the Far North resources through partnership, participation and protection.	●
Progress comments: Council has contributed to the following projects over the last 12 months.		
Organic bee venom business: - Mills Farm, Peria Mills Farm (Māori owner / operator) is in the business of utilising organic bee venom for the manufacture of anti-aging skincare products. This business has a unique point of difference in that it is the only organic bee venom producer in the world. Assistance by FNHL has been by way of focusing on current practices and assisting in the development of a business and marketing strategy. FNHL is currently working with Mills Farm to cement a joint venture start up partnership.		
Parahirahi CI Trust – Development of the Ngawha Springs mineral pools Traction with Parahirahi CI Trust has been minimal as Trustees are trying to work through issues in relation to land ownership. Once this matter is addressed and an amicable outcome is reached development progress will be relatively slow. Also connected to a claim over adjacent 4 acres.		
Te Hiku Social Accord Te Hiku Social Accord have met with Central Government and reached an agreement on commitment to achieving a number of key shared social development and well-being outcomes. These outcomes are based on establishing, maintaining and strengthening positive, co-operative and enduring relationships with the communities of Te Hiku. Although this project is not directly associated with Council, it does have implications on the social fabric of the Te Hiku Ward and as a result should be given due consideration when drafting Council's Sustainable Growth Strategy.		
Omanaia Water Treatment Plant Discussions are ongoing in relation to the Omanaia Water Treatment Plant and Council is reviewing its options on this matter		
Te Runanga A Iwi o Ngapuhi housing Council's Māori Development Team and Environmental Management staff are working closely with Te Runanga A Iwi o Ngapuhi (TRAION) and multiple shareholders in an effort to achieve better sustainable housing outcomes. TRAION has been granted Social Housing Development funding from Central Government. This will enable 10 new homes to be built in Kaikohe. TRAION are currently engaging with technical experts to enable the correct planning to support the consent process.		
Lake Omapere Hydro Power Plant In 2007 Clearwater Hydro Ltd completed research on the possibility of setting up a power generation plant along the Utakura River (Lake Omapere Falls). Discussions with landowners came to a halt due to the inability to reach an agreement. Landowners have now reached agreement and requested assistance from Council with re-opening these discussions with Clearwater Hydro Ltd. An introductory meeting has been held with FNHL to discuss the opportunity. A teleconference between Clearwater Hydro Ltd and landowners has taken place and a process outline was agreed. The scheduled meeting of shareholders was held and a satisfactory agreement reached. Stakeholders are waiting for confirmation of land transfer from the Māori Land Court.		

Community Outcome: Services that Support a Sustainable and Liveable Environment and a Vibrant and Thriving Economy

About this Outcome: To align Māori social and development outcomes so that there are clearer opportunities and efficiencies when providing for the social, cultural, environmental and economic development and well-being of Māori within the Far North.

Actual achievements against the Key Performance Indicators (KPI) and targets that the Council uses to monitor levels of service are detailed below:

KPI: Increase in the number of capacity building workshops to enable Māori participation to occur	LTP Target	Result 2012/13												
ACHIEVED: The target has been exceeded and continues to be a work in progress with the Unitary Authority Working Party, Rating Working Party (work in progress), Economic Working Party at a Governance level and workshops with individual land owners and Trusts.	3	5												
Graph shown below details a three year view of performance:														
<table border="1"> <caption>Three year view of performance for KPI: Increase in the number of capacity building workshops to enable Māori participation to occur</caption> <thead> <tr> <th>Year</th> <th>Target</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>2</td> <td>2</td> </tr> <tr> <td>2010/11</td> <td>2</td> <td>2</td> </tr> <tr> <td>2011/12</td> <td>3</td> <td>5</td> </tr> </tbody> </table>			Year	Target	Result	2009/10	2	2	2010/11	2	2	2011/12	3	5
Year	Target	Result												
2009/10	2	2												
2010/11	2	2												
2011/12	3	5												

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KPI: Satisfaction rating of participants at capacity building workshops	LTP Target	Result 2012/13
ACHIEVED: Customer feedback forms from participants receiving positive feedback on completion of workshops.	75%	75%
*This KPI above is new in the LTP 2012/13. Unable to provide a three year view of performance.		

KPI: Number of economic development projects completed with Iwi/Hapu	LTP Target	Result 2012/13												
ACHIEVED: Council's role is supporting Māori development projects for the community. Due to external influences Council cannot determine the timeframes affixed or confirm closure date. Mills Farm has been handed over to FNHL to project manage, Lake Omapere Mini Hydro Power Scheme is now sitting with the Māori Land Court awaiting transfer of shares and Parahirahi Trust is currently determining course of action.	3	3												
Graph shown below details a three year view of performance:														
<table border="1"> <caption>Three year view of performance for KPI: Number of economic development projects completed with Iwi/Hapu</caption> <thead> <tr> <th>Year</th> <th>Target</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>3</td> <td>1</td> </tr> <tr> <td>2010/11</td> <td>3</td> <td>3</td> </tr> <tr> <td>2011/12</td> <td>4</td> <td>4</td> </tr> </tbody> </table>			Year	Target	Result	2009/10	3	1	2010/11	3	3	2011/12	4	4
Year	Target	Result												
2009/10	3	1												
2010/11	3	3												
2011/12	4	4												

Governance and Strategy Group

Statement of Intent

A Reflection of our Bi-Cultural Community

Information below demonstrates the activities that Council has undertaken in the 2012/13 year to establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes.

Māori Development

Māori development, in collaboration with other departments, will play a key role in addressing the following areas:

- Māori representation;
- Māori economic & social development;
- Internal capacity building; and
- External engagement.

The above emphasis is twofold:

- Council has obligations under the Local Government Act 2002, to establish processes to give Māori the opportunity to contribute to decision making and to consider ways to foster Māori development and capacity through better engagement; and
- Develop a more strategic alignment with Iwi Māori through greater engagement, programmes & / or initiatives. This was a major input into the LTP through the submission process.

In view of Council's intention to become a Unitary Authority, it has signalled its support in principle for having dedicated Māori seats if unitary authority status is achieved. Council has also shown its commitment by resolving to investigate non electoral options for engagement and involvement of Māori in its decision making.

Council is mindful of the challenges faced by Māori landowners and supports opportunities that enable development on Māori freehold land to occur. Whilst Council only administers a small component of Māori freehold land development, Council acknowledges that development will require greater collaboration with key stakeholders including the Māori Land Court, Te Puni Kōkiri, Social Housing Unit, Iwi authorities and other central government agencies. These development opportunities will be project driven with a number of capacity building workshops provided on a case by case basis e.g. Council may facilitate papakainga development workshops to empower participants gain a better understanding of the provisions applicable to papakainga within the District Plan.

With regards to the internal capacity building, the waiata roopu continually provides consistent support and has participated at a range of council functions, including pōwhiri / welcoming ceremonies, poroporoakī / farewells and civic functions like citizenship ceremonies.

External Engagement

With regards to external engagement forums, Council is in the process of canvassing strategic and collaborative relationships with central government agencies and Iwi authorities within the district. This relationship building process seeks to align Māori social and development outcomes so that there are clearer opportunities and efficiencies when providing for the social, cultural, environmental and economic development and wellbeing of Māori within the Far North.

Financial Information Governance and Strategy

FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	ACTUAL 2013 \$000s	COUNCIL BUDGET 2013 \$000s	VARIANCE \$000s
Income				
Rates Income	1	11,254	10,087	1,166
Fees, charges & targeted water supply rates		102	83	19
Development & financial contributions	2	234	371	(137)
Other Income	3	377	227	150
Total Operating Income		11,967	10,768	1,198
Expenditure				
Direct Costs	4	8,019	6,306	(1,713)
Indirect Costs	5	539	830	291
Activity Expenditure		8,558	7,136	(1,422)
Depreciation	8	36	28	
Interest Payable		565	1,010	445
Total Operating Expenditure		9,130	8,182	(948)
Net Operating Surplus/(Deficit)		2,836	2,586	250
Capital Statement				
Net Operating Surplus		2,836	2,586	250
Loans	1	78	503	(325)
Other Funding		(679)	(769)	90
Total Funding		2,336	2,319	(17)
New Work	6	190	503	313
Renewal Works	6	481	1,368	887
Loan Repayments		2,850	448	(2,402)
Total Capital Expenditure		3,521	2,319	(1,202)
NET SURPLUS/(DEFICIT)		(1,185)	0	(1,185)

NOTE:

A favourable variance is shown as a positive number and an unfavourable variance is shown as a negative number.

The direct and indirect budgets shown in the table do not individually agree to those published in the LTP due to a difference in allocation. The total activity expenditure, however, does agree to the total published in the LTP.

VARIANCE TO THE LONG TERM PLAN 2012/13

1. Rates Income is showing a favourable variance of \$1,166k predominantly due to:
 - a. An increase in penalty rate income of \$628k and an increase in general rate income of \$538k. The increase in general rate income was a result of a subsidy budget error that was corrected during the year and increased rates income.
2. Financial contributions are showing a favourable variance due to \$234k relating to funds allocated for use by the community boards on footpath works in the future.
3. Other income is showing a favourable variance of \$150k predominantly due to:
 - a. Dividend received from FNHL \$132k above budget in the LTP; and
 - b. Recoveries of \$18k were received which were unbudgeted.

4. Direct costs are showing an unfavourable variance of \$1,712k predominantly due to:
 - a. Salaries are over budget by \$218k;
 - b. Grants and donations of \$175k are below budget;
 - c. Bad debt provisions, remission of rates and penalties are \$1,781k more than budget.
5. Indirect costs are under budget \$291k due to a decrease in corporate allocations.
6. Capital expenditure is showing an unfavourable variance of \$1,202k due to a combination of delays in the commencement of capital projects and repayment of outstanding loan balances.

KEY CAPITAL PROJECTS FOR THE YEAR ENDED 30 JUNE 2013

	ACTUAL 2013 \$000s	COUNCIL BUDGET 2013 \$000s	VARIANCE \$000s
New Works			
Information management	184	503	318
Building services	3	0	(3)
Investments	3	0	(3)
Total New Works	190	503	313
Renewals			
Accounting services	1	0	(1)
Administration services	258	250	(8)
Information management	223	713	490
Telephony infrastructure	0	303	303
Building services	0	102	102
Total Renewals	481	1,368	887

SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2012/13

The LGA 2002 requires councils to provide information regarding any significant assets acquired or replaced during the year. Council's significance policy does not specify a value but does identify the following assets as significant:

CORPORATE AND GOVERNANCE PROJECTS	COUNCIL BUDGET 2013 \$000s	VARIANCE 2013 \$000s
Desktop replacement. This project was delayed so that a full review of future needs and compatibility with new software could be carried out.	400	103
Integrated asset management. Work on this project has been delayed whilst officers assess suitable options and compatibility with existing systems	350	30

VARIANCE TO THE ANNUAL PLAN 2012/13

- See comments above