

# Vision & Mission



## 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 2011 to 30 June 2012. The Annual Report is the primary means of advising the Far North community of Council's financial and non financial performance during the 2011/12 financial year against the objectives set out in the Council's Long Term Community Plan 2009/19 and the 2011/12 Annual Plan budget. The Annual Report also outlines challenges which the Far North community has faced.

This Annual Report 2011/12 is the third in the series to be produced in the measurement against our 10 Year Plan 2009/19 (otherwise now known as the Long Term Plan). For this reason, we have branded this report the "Third 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](http://www.fndc.govt.nz) Both are available by request.

## Activity Groups at a Glance

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

### Water and Waste Management

- Water Supply
- Wastewater
- Refuse and Recycling

### District Facilities

- Airports and Maritime
- Cemeteries, Public Toilets and Town Maintenance
- Community Centres, Halls, Museums and 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

More details about these activity groups are on pages 86-183.



# Message from the Mayor



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**Kia ora tatou**

Council may have kept a tight lid on expenditure growth in 2011/12, limiting spending to 'must do' works. The depressed economic conditions were also an opportunity for it to reduce borrowings. By the end of the financial year, Council had cut historical debt by \$8 million. Other achievements on behalf of ratepayers included a long overdue restructuring of the Infrastructure and Asset Management department and a major overhaul of the way roading priorities are set.

We also found ways to do things cheaper and completed a comprehensive review of the rating system. Most submitters supported fairer rating proposals in our Draft Long Term Plan 2012/2022. However, some felt that a targeted road rate, which shifted the burden of roading costs from residential to forestry and farming sectors, contained anomalies. Councillors decided to defer the introduction of this rate for a further 12 months to provide more time to address the concerns of these submitters.

Despite budgetary constraints, Council was able to meet its commitments and complete a number of capital projects, including the \$14 million Te Ahu Centre which Lieutenant General The Right Honourable Sir Jerry Mateparae opened in February.

A good example of how Council adopted innovative approaches to reduce costs was the Kaeo sewerage scheme upgrade where about \$400,000 was saved by adapting a natural treatment process that is used in other parts of New Zealand and overseas. Looking ahead, a big challenge facing Council will be to apply the same innovative, cost conscious approach to the proposed Bay of Islands Wastewater Scheme.

An important milestone in 2011/12 was the completion of an aerial geophysical survey of Northland, which

Council helped fund. The survey results generally confirmed earlier reports by GNS Science and the New Zealand Institute of Economic Research who estimated that growing Northland's mining industry could increase the region's gross domestic product by \$280 million a year. It is now up to mining interests to establish whether exploitation of the mineral resource is economically viable. Communities will be able to have their say in setting the environmental standards for any mining proposals via the Resource Management Act process.

In other areas of economic development, Council agreed to sponsor the annual Snapper Bonanza surfcasting competition at Ninety Mile Beach and the State Paihia Classic Ocean Swim from Russell to Paihia for another year. We will be looking this year to further initiatives to encourage both visitors and new residents to the Far North.





Negotiations with landowners along the route of the Pou Herenga Tai - Twin Coast Cycle Trail have been ongoing and Council plans to complete the section between Kawakawa and Kaikohe before the end of the year. Staff are consulting the community over the use of the road between Okaihau and Horeke and hope to designate this section of the trail by March 2013.

Council introduced performance managed contracts for the maintenance of its roading assets during the year. The contracts reflect a new roading hierarchy classification system which stipulates standards to which roads are to be maintained.

We also completed a comprehensive inspection and audit of all bridges and structures on our road network. We will use information gained from this exercise to establish a forward works programme of maintenance, repairs and replacement.

This work, combined with improvements in the way we manage our roading asset, should result in better maintenance of the basic infrastructure that is needed to push the Far North forward in the years ahead.

Ka kite ano

Mayor Wayne Brown



# Message from the Chief Executive



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**Kia ora tatou**

**As projected, the economy in the Far North has continued to decline over the last 12 months with key indicators still showing no signs of meaningful growth. This provided for testing times with an emphasis on financial consolidation and the need to better manage existing resources.**

**The end of year financial result shows how well this consolidation has been achieved and reflects the efforts which have been made to cut costs. We have had to do more with less and to think beyond the square to make savings.**

At the beginning of the year it had been projected that the debt to revenue ratio would reach 115% but through efficiencies and careful management we completed the year with an actual debt to revenue ratio of 95%. This improvement was largely the result of internal operating efficiencies including some \$322,000 in savings as a result of process improvements and \$1.86 million in savings as a result of new procurement and asset management efficiencies.

There was an overall reduction in public debt of close to \$8 million to finish the year with the total public debt standing at \$100.7 million.

The year saw a dramatic change in the way our major infrastructure such as roads, water and wastewater are being managed. Among the changes made was the decision to bring back contract management and supervision in house. The full impact of the major restructuring which has taken place is expected to show through in the new

financial year (2012/13) with projected savings going forward of greater than \$1 million per annum.

Because of the restrictive effect of the depressed economy, it has enabled the administrative changes which have been made to be bedded in without any significant disruptions to services. This is well illustrated in the most recent independent customer satisfaction survey which shows a general trend of improvement in service levels.

There was a significant increase in satisfaction for maritime assets, but a disappointing downturn in households taking responsibility for personal welfare during civil defence emergencies. Although many of the key performance indicators (KPI) have increased since 2010/11, we have still been able to maintain the status quo in a number of areas. Of particular note is in the customer services area in which council office visits reached a 92% satisfied or very satisfied response,





the free phone service a 78% favourable response and written communications an 82% favourable response all above the KPI targets set at the beginning of the year.

The total number of building consents issued reached 1,054 but only 239 of these related to residential properties. This compares with a total of 1,243 consents issued of which 293 were of a residential nature in 2010/11. A similar pattern is evident with resource consents where the number of new lots created over the year reached 296, down from 591 the previous year. While there is still a way to go, the customer satisfaction statistics again showed an upward trend which reflects the efforts which are being made to speed up service delivery and to make it easier for the community to navigate the complex Resource Management Act and Building Act requirements.

While the major area of public spending, the roading network, received only a 55% satisfaction response, it was still above the KPI target set and was within acceptable parameters given the current government Road Subsidy policy which effectively confines council spending to maintenance and minor safety improvements. However Council was able to complete the Waipapa Road (Stage 3) and Waimate North Road roading projects, the Wireless Road, Ngawha and Kaeo wastewater projects and 7 significant footpath extension or renewal projects.

Overall the survey found Council's performance has lifted from 76% general satisfaction in 2010/11 to 79% satisfaction in the year under review. While there is still clearly room for further improvement, it was a good result given the financial restrictions which Council has faced and the limitations on capital expenditure.

David Edmunds – Chief Executive



# Our District



The Far North is the most northerly district in New Zealand, sharing its southern boundaries with Kaipara and Whangarei districts.

Together, the 3 districts make up the Northern region. With 7,324 km<sup>2</sup>, the Far North district is the largest of the 3 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 35,615. The Far North District Council is the second largest Local Authority in terms of land area in the North Island after Auckland Council.

The district has 2,347km'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 3 service towns of Kerikeri, Kaikohe and Kaitia 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 December 2011 had a 20,951 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 7,545 local businesses. The retail sector employs the largest percentage of workers at 17.7%.

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 May 2013. However, the population for the district is predicted to currently be 59,500 (total population) 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 around 110,000 at any one time. Drawn by the district'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 contributors to GDP in both 2010 and 2011 were the retail and wholesale trade followed by agriculture (including forestry and horticulture), finance and insurance are the next fastest growth areas.







# Representatives

As at 30 June 2012



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## 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 Zone 1

Sewerage / Water Working Party

Sister Cities Representatives

NRC / Mayoral Forum

Te Ahu Charitable Trust

Northland Regional Transport Committee

Building & Planning

NZ Historic Places Trust / Society for the preservation of the Kerikeri Stone Store Area

Chief Executive Performance Review Committee

Kororipo / Kerikeri Basin Governance Group



### **Councillor Court**

Rubbish  
Māori Rates Working Party  
Sewerage / Water Working Party  
National Marine Park for Northland Working Group  
Chief Executive Performance Review Committee  
NRC / Mayoral Forum  
LGNZ Zone 1  
Building & Planning

### **Councillor Kitchen**

Northland Civil Defence Emergency Management Group  
Kaeo River Liaison Committee  
Northland Conservation Board / DOC liaison person

### **Councillor Baker**

Northland Road Safety Forum  
Sewerage / Water Working Party  
Building & Planning

### **Councillor McNally**

District Facilities  
Far North Holdings Limited  
Kerikeri Waipapa River Liaison Group  
Chief Executive Performance Review Committee  
Sewerage / Water Working Party  
Sport Northland / Regional Physical Activity Strategy and other sporting activities  
Rooding South  
Northland Regional Transport Committee  
NRC Environmental Management Committee and sub committee (Regional Water & Soil plan for Northland Working Group)

### **Councillor Maxwell**

Northland Conservation Board / DOC liaison person  
Audit & Finance (Chairperson)  
NRC Environmental Management Committee and sub committee (Regional Water and Soil Plan for Northland Working Group)  
Kaeo River Liaison Committee  
Chief Executive Performance Review Committee  
Kerikeri Waipapa River Liaison Group  
Kaikohe Pioneer Village  
Kerikeri Waipapa River Liaison Group

### **Councillor Knight**

District Facilities  
Sister Cities Representatives  
Māori Rates Working Party  
Te Ahu Charitable Trust  
Kerikeri Civic Trust  
Creative Communities Funding & Assessment Committee

### **Councillor Radich**

Northland Road Safety Forum  
Sport Northland / Regional Physical Activity Strategy and other sporting activities  
Awanui River Liaison Committee  
Māori Rates Working Party

### **Councillor Macauley**

Kaikohe Pioneer Village  
Kerikeri Civic Trust ('The Douglas Turner Centre')  
Creative Communities Funding Assessment Committee – (Chairperson)  
Northland Civil Defence Emergency Management Group  
District Facilities  
Disability Action Group



# Bay of Islands - Whangaroa Community Board

As at 30 June 2012



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**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:**

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

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## Appointments

**Florence Annison**

NZ Historic Places Trust / Society for the preservation of the Kerikeri Stone Store Area

**Florence Annison**

Disability Action Group

**Florence Annison**

Kororipo / Kerikeri Basin Governance Group

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If you need to contact a Community Board Member, then either refer to the contact details on *page 187* of this document or [www.fndc.govt.nz/contact-us](http://www.fndc.govt.nz/contact-us)



# Kaikohe - Hokianga Community Board

As at 30 June 2012



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**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)

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## Appointments

### John Schollum

LGNZ Zone 1 Community Board Executive Committee

### Mark Anderson

Inter Council Working Party on GMO's

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# Te Hiku Community Board

As at 30 June 2012



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**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)

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## Appointments

### Dennis Bowman

Refuse

### David Senior

Disability Action Group

### David Senior

LGNZ Zone 1 Executive Committee (Deputy Member)

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