

Strategy, Planning and Development Committee Agenda

Date: Thursday, 18 February, 2021

Time: 9:00 am

Location: Council Chamber
Forum North, Rust Avenue
Whangarei

Elected Members: Cr Shelley Deeming (Chairperson)
Her Worship the Mayor Sheryl Mai
Cr Gavin Benney
Cr Vince Cocurullo
Cr Nicholas Connop
Cr Ken Couper
Cr Tricia Cutforth
Cr Jayne Golightly
Cr Phil Halse
Cr Greg Innes
Cr Greg Martin
Cr Anna Murphy
Cr Carol Peters
Cr Simon Reid

For any queries regarding this meeting please contact
the Whangarei District Council on (09) 430-4200.

| | |
|--|----|
| 1. Declarations of Interest | |
| 2. Apologies | |
| 3. Confirmation of Minutes of Previous Strategy, Planning and Development Committee Meeting | |
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| 5.2. Operational Report - Corporate Group - February 2021 | 65 |
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| 6. Public Excluded Business | |
| 7. Closure of Meeting | |

Recommendations contained in the agenda are not the decisions of the meeting.

Please refer to minutes for resolutions.

Strategy, Planning and Development Committee – Terms of Reference

Membership

Chairperson Councillor Shelley Deeming

Members Her Worship the Mayor Sheryl Mai
 Councillors Gavin Benney, Vince Cocurullo, Nicholas Connop, Ken Couper, Tricia Cutforth, Jayne Golightly, Phil Halse, Greg Innes, Greg Martin, Anna Murphy, Carol Peters, Simon Reid

Meetings Monthly

Quorum 7

Purpose

To oversee planning, monitoring and enforcement activities, and guide the economic and physical development and growth of Whangarei District.

Key responsibilities

- Regulatory and compliance
 - Environmental health
 - General bylaw administration
 - Animal (dog and stock control)
 - Hazardous substances and new organism control
 - Parking enforcement (vehicles registrations and warrant of fitness)
 - Noise control
 - Food Act
 - Land use consents
 - Building Act
- Building Control
 - Property Information and Land Information Memoranda
 - Consents and inspections
- Resource Consents
 - Subdivision, land use and development control
 - Development contributions
- District Plan
 - Plan changes
 - District Plan administration
- Strategic Planning
 - Place based strategies (city centre), functional strategies (climate change)
 - Growth planning

- Urban design
- Reporting strategic trends and analysis
- Economic Development
 - District marketing and promotions
 - Developer engagement
- Commercial Property
- Marinas
- Airport
- Forestry
- Reporting on service delivery, including operational financial performance.
- Reporting on capital projects.
- Operational reporting for the Strategy and Democracy, Planning and Development, and Corporate groups within Council.
- Procurement – general procurement relating to the areas of business of this committee, within delegations.
- Shared Services – investigate opportunities for Shared Services for recommendation to council.
- Council Controlled Organisations (CCOs) – monitoring the financial and non-financial performance of CCOs whose functions would otherwise fall under the scope of this committee. Includes trading CCOs (CCTOs) and those CCOs exempted under the LGA. Responsibilities include:
 - advising on the content of annual Statement of Expectations to CCOs
 - agreement of the Statement of Intent
 - monitoring against the Statement of Intent
 - for exempted CCOs, monitoring and reporting as agreed between Council and the organisation

CCOs accountable to this committee:

- Whangarei District Airport – CCO
- Local Government Funding Agency (LGFA) - CCO

Delegations

- (i) All powers necessary to perform the committee's responsibilities, including, but not limited to:
 - a) approval of expenditure of less than \$5 million plus GST.
 - b) approval of a submission to an external body
 - c) establishment of working parties or steering groups.

- d) adoption of strategies and policies relating to the key responsibilities of this committee (except for those that cannot be delegated by Council under Clause 32(1)(f) of Schedule 7 of the LGA).
- e) power to establish subcommittees and to delegate their powers to that subcommittee.
- f) the power to adopt the Special Consultative Procedure provided for in Section 83 to 88 of the LGA in respect of matters under its jurisdiction (this allows for setting of fees and bylaw making processes up to but not including adoption).
- g) the power to delegate any of its powers to any joint committee established for any relevant purpose under clause 32, Schedule 7 of the Local Government Act 2002.

Item 3.1
Strategy, Planning and Development Committee Meeting Minutes

Date: Wednesday, 16 December, 2020
Time: 9:00 a.m.
Location: Council Chamber
 Forum North, Rust Avenue
 Whangarei

In Attendance

 Cr Shelley Deeming (Chairperson)
 Her Worship the Mayor Sheryl Mai
 Cr Gavin Benney
 Cr Vince Cocurullo
 Cr Nicholas Connop
 Cr Ken Couper
 Cr Tricia Cutforth
 Cr Phil Halse
 Cr Greg Innes
 Cr Greg Martin
 Cr Anna Murphy
 Cr Carol Peters
 Cr Simon Reid

Not in Attendance

 Cr Jayne Golightly

Scribe

 N. Pestana (Team Leader Democracy)

1. Declarations of Interest

There were no declarations of interest made.

2. Apologies

Cr Jayne Golightly (absent), Cr Tricia Cutforth (late arrival) and Cr Carol Peters (early departure).

Moved By Cr Vince Cocurullo

Seconded By Cr Nicholas Connop

That the apologies be sustained.

Carried

3. Confirmation of Minutes of Previous Strategy, Planning and Development Committee Meeting

3.1 Minutes Strategy, Planning and Development Committee 19 November 2020

Moved By Cr Carol Peters

Seconded By Cr Vince Cocurullo

That the minutes of the Strategy, Planning and Development Committee meeting held on Thursday, 19 November 2020, having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

Carried

Cr Cutforth joined the meeting at 9.21am during confirmation of the minutes.

4. Decision Reports

4.1 New Road Name Application - Allen - SD2000065

Moved By Cr Shelley Deeming

Seconded By Cr Phil Halse

That the item lie on the table and the Manager RMA Consents be advised that the Strategy, Planning and Development Committee support any application to delete the condition of resource consent requiring the right of way to be named. Should no application be made or is declined, the Committee will further consider the naming.

Procedural motion

Moved By Cr Greg Innes

Seconded By Cr Anna Murphy

That the motion now be put.

The procedural motion was Carried (Unanimous)

On the motion being put Cr Martin called for a division:

| Recorded | For | Against | Abstain |
|-----------------------|------------|----------------|----------------|
| Her Worship the Mayor | X | | |
| Cr Gavin Benney | X | | |
| Cr Vince Cocurullo | X | | |
| Cr Nicholas Connop | X | | |

| | | | |
|--------------------|-----------|----------|----------|
| Cr Ken Couper | X | | |
| Cr Tricia Cutforth | X | | |
| Cr Shelley Deeming | X | | |
| Cr Phil Halse | X | | |
| Cr Greg Innes | X | | |
| Cr Greg Martin | X | | |
| Cr Anna Murphy | X | | |
| Cr Carol Peters | X | | |
| Cr Simon Reid | X | | |
| Results | 13 | 0 | 0 |

The motion was Carried (Unanimous)

Cr Golightly was absent.

5. Information Reports

5.1 Operational Report - Corporate Group - December 2020

Moved By Cr Nicholas Connop

Seconded By Cr Greg Innes

That the Strategy, Planning and Development Committee notes the Corporate Group operational report for December 2020.

Carried

5.2 Operational Report - Strategy, Planning and Development - December 2020

Moved By Cr Greg Innes

Seconded By Cr Greg Martin

That the Strategy, Planning and Development Committee notes the Strategy, Planning and Development Operational report for December 2020

Carried

6. Public Excluded Business

There was no business concluded in public excluded.

7. Closure of Meeting

The meeting concluded at 10.02am.

Confirmed this 18th day of February 2021

Cr Shelley Deeming (Chairperson)

4.1 New Private Access Name – RMA Consents – Morgan – SD1700132

Meeting: Strategy, Planning and Development Committee

Date of meeting: 18th February 2021

Reporting officer: Toni Satherley – Post Approval Officer

1 Purpose

To name a private access way in the Whangarei district to assign unique addresses for properties to be readily locatable by emergency service responders and service delivery providers.

2 Recommendation/s

That the Strategy, Planning and Development Committee:

1. Approve the name of the private access off Boundary Road Tikipunga as Watercourse Way.

3 Background

A road naming application has been received to satisfy conditions of a subdivision for Fred Morgan to name a private accessway off Boundary Road, Tikipunga. The proposed names are considered in accordance with Council's Road Naming Policy:

1. Watercourse Way
2. Boulder Close
3. Sweetgum Place

4 Consultation

No consultation is required as the developer owns the land and no other parties are affected by this road naming.

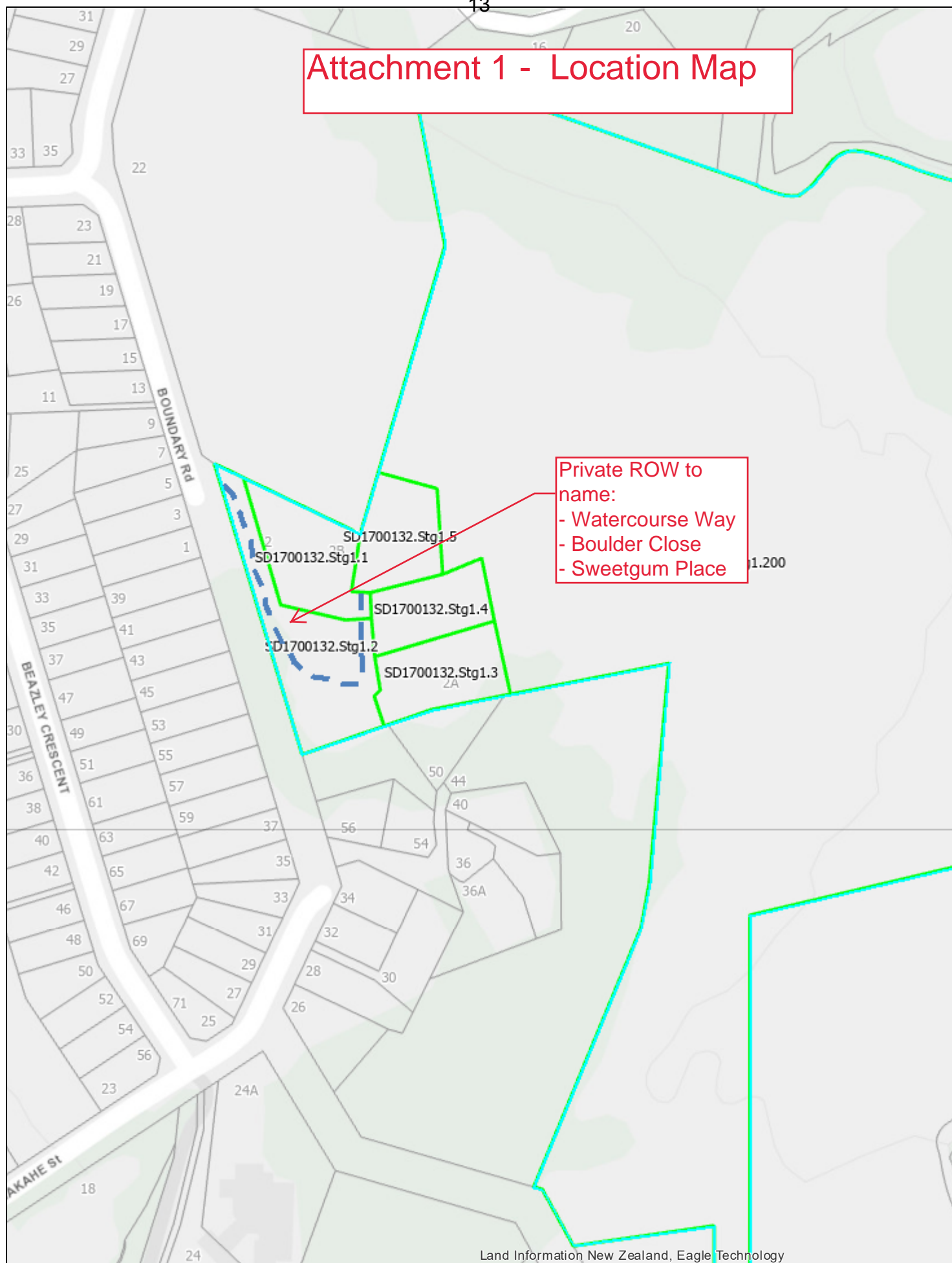
5 Significance and engagement

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website.

6 Attachments

- Morgan – SD1700132 – Agenda Access Name Map
- Morgan – SD1700132 – Application for Road Naming and email exchange showing final list of road names.

Attachment 1 - Location Map



GIS Maps Print



The information displayed is schematic only and serves as a guide. It has been compiled from Whangarei District Council records and is made available in good faith but its accuracy or completeness is not guaranteed.

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Monday, November 30, 2020



Scale: 1:2,500
Projection: NZGD2000 / NZTM 2000

Original Sheet Size 210x297mm



Application for Road Naming

Thank you for making an application to name a proposed road.

Points to remember when making an application

- ❖ Please print clearly to ensure the form is easy to read.
- ❖ We will respond in writing to every application received. Please ensure that you provide appropriate contact details so that our response gets back to you.
- ❖ Your application will not be returned to you once it is lodged with Council. Please keep a copy for your reference.

Important Considerations

- ❖ Please refer to the **Road Naming Policy** and **Road Naming Index** prior to making your application. These documents will be helpful when proposing road names. Both documents can be found on the Council website at www.wdc.govt.nz

How to get this application to us

Mail to: Attn: Administration Team Leader – Resource Consents
 Whangarei District Council
 Private Bag 9023
 WHANGAREI 0148

Fax to: 09 438 7632

Email to: mailroom@wdc.govt.nz

Applicant Details

First name(s) Fred

Last name Morgan

Postal address 1880 Ngunguru Road, RD3
Whangarei

Best day-time phone number 02040784266 Mobile 02040784266

Email fredm022@gmail.com

Resource Consent Details

Resource Consent application number SP 1760132-1

Agent Details

Name of Agent / Agent ref /

Agent postal address /

Best day-time phone number / Mobile /

Email /

Proposed Road Name Details

Please indicate whether the road is Public or Private (✓ box)

☐ Public

☒ Private

Proposed road name 1

Hatea View

Reason

The accessway provides a view of the
Hatea River. This is the most distinguishing
feature of the accessway

Proposed road name 2

Boulder Heights

Reason

The accessway is located on high
ground amongst large boulders

Proposed road name 3

Sweetgum Row

Reason

The accessway is located at the
end of a row of sweetgum
trees on Boundary Road

❖ Please supply a scheme plan map in Black and White with Road or ROW clearly marked when submitting your application.

CAUTION:
THIS DRAWING SHOULD NOT BE AMENDED MANUALLY AND IS COPYRIGHT TO
REYBURN & BRYANT (1989) LIMITED. DO NOT SCALE OFF DRAWINGS.

HEIGHTS IN TERMS OF ONE TREE POINT VERTICAL DATUM 1984
ORIGIN: OSS 50 50 5070 RL=85.74 SOURCE: LINZ GEODETIC DATA BASE

NOTE:
1. ALL WORK TO COMPLY WITH THE WHANGAREI DISTRICT COUNCIL'S
(WDC) ENVIRONMENTAL ENGINEERING STANDARDS 2000 (EES 2000).

2. ALL WORK TO COMPLY WITH THE CONTRACTOR'S APPROVED HEALTH &
SAFETY MANUAL AND THE CURRENT HEALTH & SAFETY LEGISLATION.

3. ALL WORK TO COMPLY WITH NZS 4401 AND TO BE CONSTRUCTED TO THE
SATISFACTION OF THE WDC.

4. CONTRACTOR IS RESPONSIBLE FOR A CORRIDOR ACCESS REQUEST
FOR THE WDC PRIOR TO UNDERTAKING ANY WORKS WITHIN THE
COUNCIL ROAD RESERVE.

5. CONTRACTOR IS TO ENSURE ALL INSPECTIONS ARE COMPLETED IN
TERMS OF THE EES 2000 CLAUSE 1.10.31 AND THE WDC ENGINEERING
PLAN APPROVAL LETTER.

6. THE CONTRACTOR MUST REINSTATE AND/OR REPAIR DAMAGE TO THE
BERM, KERB & CHANNELLING AND FOOTPATH ALONG THE PROPERTY
ROADSIDE FRONTAGE. REFER EES 2000 CLAUSE 1.10.31.

7. CONTRACTOR IS RESPONSIBLE FOR LOCATING ALL EXISTING SERVICES
PRIOR TO COMMENCING ANY SITE WORK.

8. CONTRACTOR MUST BE LICENSED TO WORK ON PUBLIC MAINS.

9. ALL FILL TO BE COMPACTED IN ACCORDANCE WITH NZ4001.

10. CONTOURS SHOWN ARE EXISTING CONTOURS.

11. REFER TO REYBURN AND BRYANT PLAN "CLIMBI PROPOSED VEHICLE
CROSSING FOR LOT 2 DP 95642" DATED 06/04/18 FOR DESIGN DETAILS OF
VEHICLE CROSSING.

12. THE CONTRACTOR MUST PROVIDE REYBURN AND BRYANT WITH
AS-BUILT INFORMATION OF ALL ASSETS INSTALLED OR CHANGED
DURING CONSTRUCTION.

13. LOW PRESSURE SEWER SYSTEM DESIGNED BY ECOFLOW.

14. LOW PRESSURE SEWER IS TO BE PRIVATE NOT TO BE VESTED

SHEET SCHEDULE

| COVER SHEET | SHEET 1 |
|-----------------------|----------------|
| ROW & SERVICES LAYOUT | SHEETS 2 - 4 |
| LONG SECTIONS: ROW A | SHEETS 5 - 7 |
| CROSS SECTIONS: ROW A | SHEETS 8 & 9 |
| LONG SECTIONS: SEWER | SHEET 10 |
| TYPICAL DETAILS | SHEETS 11 - 13 |
| OVERLAND FLOW PATH | SHEET 14 |

| REV | DATE | AMENDMENTS |
|-----|----------|--|
| D | 22/09/20 | MINOR COUNCIL AMENDMENTS - AH/DC |
| C | 21/07/20 | CHANGES FOR AMENDED CONSENT CONDITIONS - AH/DC |
| B | 07/18 | CHANGE DETAILS & MOVE CL - AH/PPD |
| A | 13/05/18 | FIRST ISSUE - AH/SSB |

CLIENT

MORGAN

BOUNDARY ROAD, TIKIPUNGA

DESCRIPTION

LOTS 1 - 5 & 200 BEING A PROPOSED
SUBDIVISION OF LOT 2 DP 95642

TITLE

ENGINEERING DESIGN
COVER

SCALE: 1:2500 @A3

COUNCIL REFERENCE: SD1700132.01

**reyburn
& bryant**

PO Box 191, Whangarei 0140
www.reyburnandbryant.co.nz

PH: 09 438 3353

7 Selwyn Ave, Whangarei

DRAWING REF.

STAGE: 1

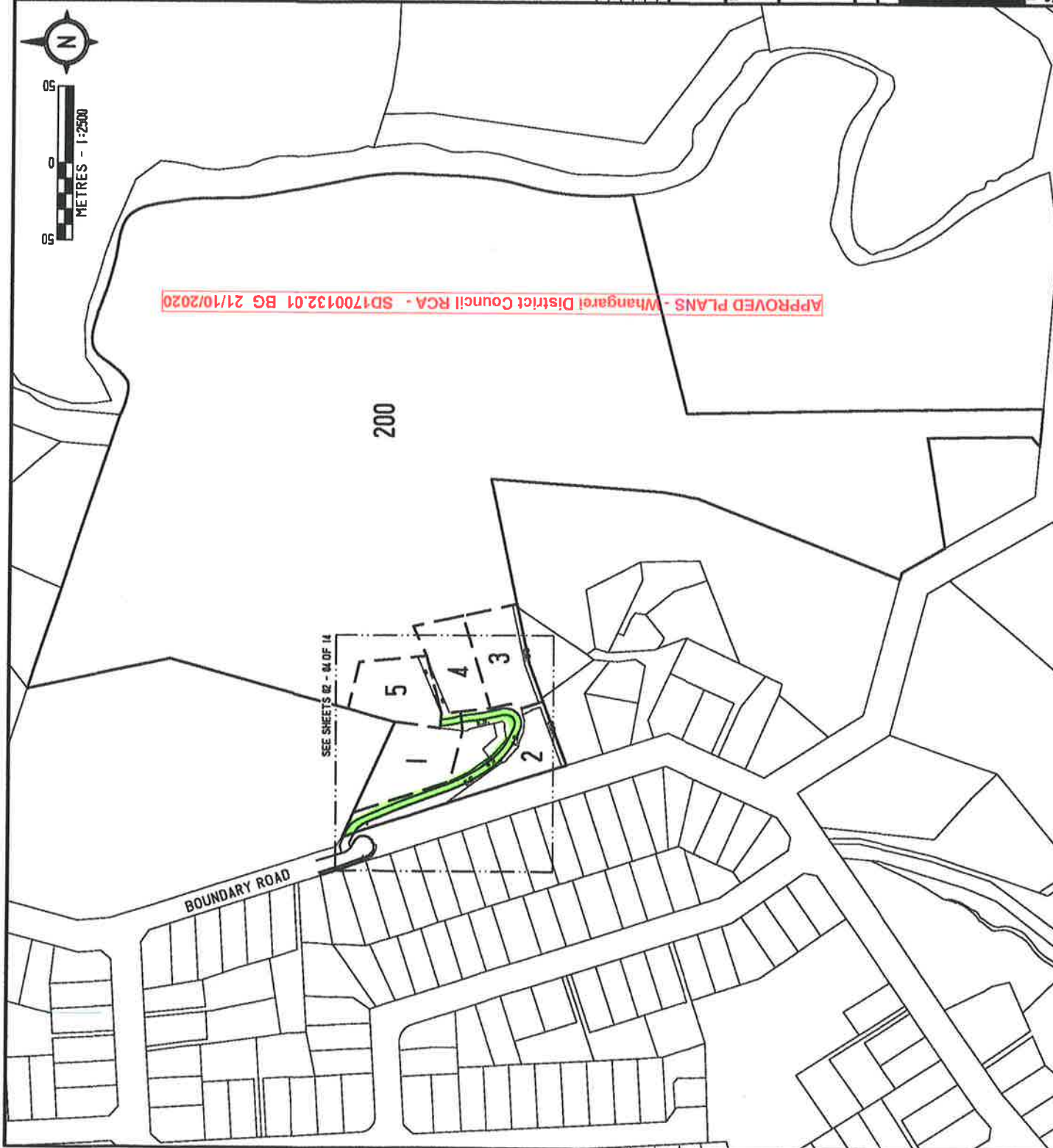
E 14331

SHEET

01 OF 14

REV

D



Toni Satherley

Subject: RE: Application for Road Naming - SD1700132 - 2 Boundary Road

From: fredd morgan <fredmo022@gmail.com>
Sent: Tuesday, 24 November 2020 2:20 PM
To: Toni Satherley <toni.satherley@wdc.govt.nz>
Subject: Re: Application for Road Naming - SD1700132 - 2 Boundary Road

All good. Yeah those names are what we would like to apply for. Thanks

Sent from my iPad

On 24/11/2020, at 2:18 PM, Toni Satherley <toni.satherley@wdc.govt.nz> wrote:

Thanks for the prompt reply.

Sorry I should have explained the LINZ has since updated (deleted Heights and View) from the suffix list, and we are currently updating the road naming policy, part of which I sent through in my email.

So, just to confirm -

1. Watercourse Way
2. Boulder Close
3. Sweetgum Place

Kind Regards

Toni Satherley

Post Approval RMA Officer | RMA Consent Department

Whangarei District Council | Walton Plaza | Private Bag 9023, Whangarei 0148 | www.wdc.govt.nz

Phone 09 430 4200 | **Mobile** 021 563 907 | **E** toni.satherley@wdc.govt.nz

[Like us on Facebook](#)

From: fredd morgan <fredmo022@gmail.com>
Sent: Tuesday, 24 November 2020 2:05 PM
To: Toni Satherley <toni.satherley@wdc.govt.nz>
Subject: Re: Application for Road Naming - SD1700132 - 2 Boundary Road

EXTERNAL: This email originated from outside Whangarei District Council. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hi Toni

Thanks for getting back to me

Instead of hatea view could I have watercourse view

I am confused by not allowing 'heights' as I got this from the wdc guidelines see attached. If heights isn't allowed could I change it to Boulder view

Could I change the last one to sweetgum place.

The reasons for the road names would remain unchanged

Thanks

Fred

On 24/11/2020, at 11:54 AM, Toni Satherley <toni.satherley@wdc.govt.nz> wrote:

Good Morning Fred

I have cast my eye over this application and can confirm the following –

Hatea View – Not allowed as this is a duplicate (this includes same road names with different suffix.)

Boulder Heights – The use of Heights as a suffix is not allowed.

Sweetgum ROW – The use of ROW as a suffix is not allowed.

FYI, I have attached the suffixes that can be used. In your case use the cul-de-sac options.

The next Council meeting (Strategy, Planning and Development Committee) for access road name approval is 16 December 2020.

As we need to have the agenda item into Council 2 weeks prior, unfortunately there will probably not be enough time to gain the necessary approvals from Land Information New Zealand etc, to have your application included.

However if you can get back to me with some alternative options, I will continue processing your application, and do my best for it to be included in the next meeting. Failing that it will more than likely be put forward for approval at the first Council meeting in 2021. Please note, meeting dates have not been released yet.

If you would like any further information, please don't hesitate to ask.

Kind Regards

Toni Satherley

Post Approval RMA Officer | RMA Consent Department

Whangarei District Council | Walton Plaza | Private Bag 9023, Whangarei 0148 | www.wdc.govt.nz

Phone 09 430 4200 | Mobile 021 563 907 | E toni.satherley@wdc.govt.nz

[Like us on Facebook](#)

From: Dee du Toit <dee-anne.dutoit@wdc.govt.nz>
Sent: Monday, 23 November 2020 9:20 AM
To: Ricardo Zucchetto <Ricardo.Zucchetto@wdc.govt.nz>
Subject: FW: Application for Road Naming

Ngā Mihi | Kind Regards
Dee du Toit
<image001.png>

From: fredd morgan <fredmo022@gmail.com>
Sent: Saturday, 21 November 2020 7:55 AM
To: Mail Room <mailroom@wdc.govt.nz>
Subject: Application for Road Naming

EXTERNAL: This email originated from outside Whangarei District Council. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Attention Administrator Team Leader - Resource Consents

Please find attached an application for road naming for SD1700132.1

Thanks

Fred

<Road Naming suffix Pages.docx>

4.2 New Private Road Name – RMA Consents – Suvalko & Baldwin – SD1700068

Meeting: Strategy, Planning and Development
Date of meeting: 18th February 2021
Reporting officer: Ricardo Zucchetto – RMA Post Approval Officer

1 Purpose

To name a private road in the Whangarei district to assign unique addresses for properties to be readily locatable by emergency service responders and service delivery providers.

2 Recommendation/s

That the Strategy, Planning and Development Committee:

1. Approve the name of the private road (ROW “A”) off Cove Road as Inlet Way.

3 Background

A road naming application has been received to satisfy conditions of a subdivision for Suvalko & Baldwin to name a private road (ROW “A”) off Cove Road, Waipu.

Their suggestions are:

1. Inlet Way
2. Longshore Way
3. Four Herons Way

The proposed names are considered in accordance with Council's Road Naming Policy and confirmed acceptable by Land Information NZ (LINZ).

4 Consultation

No consultation was undertaken as the developer owns the land.

5 Significance and engagement

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website.

6 Attachments

1. Suvalko & Baldwin – SD1700068 – Road Naming Application
2. Suvalko & Baldwin – SD1700068 – Location Map

Attachment 1 - Road Name Application

Private Bag 9023 | Whangarei 0148 | New Zealand
 T: 09 430 4200 | 0800 WDC INFO | 0800 932 463 | F: 09 438 7632
 W: www.wdc.govt.nz | E: mailroom@wdc.govt.nz



Application for Road Naming

Thank you for making an application to name a proposed road.

Points to remember when making an application

- ❖ Please print clearly to ensure the form is easy to read.
- ❖ We will respond in writing to every application received. Please ensure that you provide appropriate contact details so that our response gets back to you.
- ❖ Your application will not be returned to you once it is lodged with Council. Please keep a copy for your reference.

Important Considerations

- ❖ Please refer to the **Road Naming Policy** and **Road Naming Index** prior to making your application. These documents will be helpful when proposing road names. Both documents can be found on the Council website at www.wdc.govt.nz

How to get this application to us

Mail to: Attn: Administration Team Leader – Resource Consents
 Whangarei District Council
 Private Bag 9023
 WHANGAREI 0148

Fax to: 09 438 7632

Email to: mailroom@wdc.govt.nz

Applicant Details

First name(s) Maxine + Geoff , Dave + Kay

Last name Survalko Baldwin

Postal address 66 Marine Parade
Herne Bay Auckland

Best day-time phone number _____ Mobile 021 0326 333

Email maxinesurvalko@gmail.com

Resource Consent Details

Resource Consent application number SD 1700068.02

Agent Details

Name of Agent _____ Agent ref _____

Agent postal address _____

Best day-time phone number _____ Mobile _____

Email _____

Proposed Road Name Details

Please indicate whether the road is Public or Private (✓ box)

☐ Public

☒ Private

Proposed road name 1

Inlet Way

Reason

Subdivision name 'the Inlet'
 Previous owners of the land (almost 90 years)
 used to call the property 'the Entrance'
 as the River mouth use to be in front
 of the land. - a nod to History

Proposed road name 2

Longshore Way

Reason

references the proximity to the stretch
 of beach over the sand Dunes.
 The strip of Land towards Napier Cove

Proposed road name 3

Four Herons Way

Reason

There are four resident Herons that
 Sometimes appear in the Estuary and
 feed at low-tide

❖ Please supply a scheme plan map in Black and White with Road or ROW clearly marked when submitting your application.



APPROVED

M Bennett

SD1700068.02
30 October 2020

PROPOSED EASEMENTS

| Purpose | Shown | Servient Tenement | Dominant Tenement |
|--|-------|-------------------|--------------------|
| Right of Way Right to Convey Electricity, Telecommunications & Water | (A) | Lot 1 hereon | Lots 2-5 hereon |
| Pedestrian Right of Way | (B) | Lot 1 hereon | Lots 4&5 hereon |

NOTES:

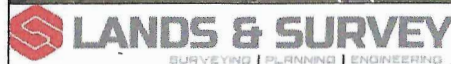
Areas and distances are approximate only
and subject to survey.

Comprised In: CT NA1057/254

Total Area: 21.3368ha

REVISIONS

| Date | No | Description | Sign |
|---------|----|----------------------------|------|
| 27/3/20 | A | First Issue | LN |
| 23/8/20 | B | Building platforms removed | LN |



EMAIL: info@landsandsurvey.co.nz
WHANGAREI PO Box 744, 164 Bank Street, Tel 09 438 7568
DARGAVILLE (Wed) 97 Victoria Street, Tel 09 439 6634

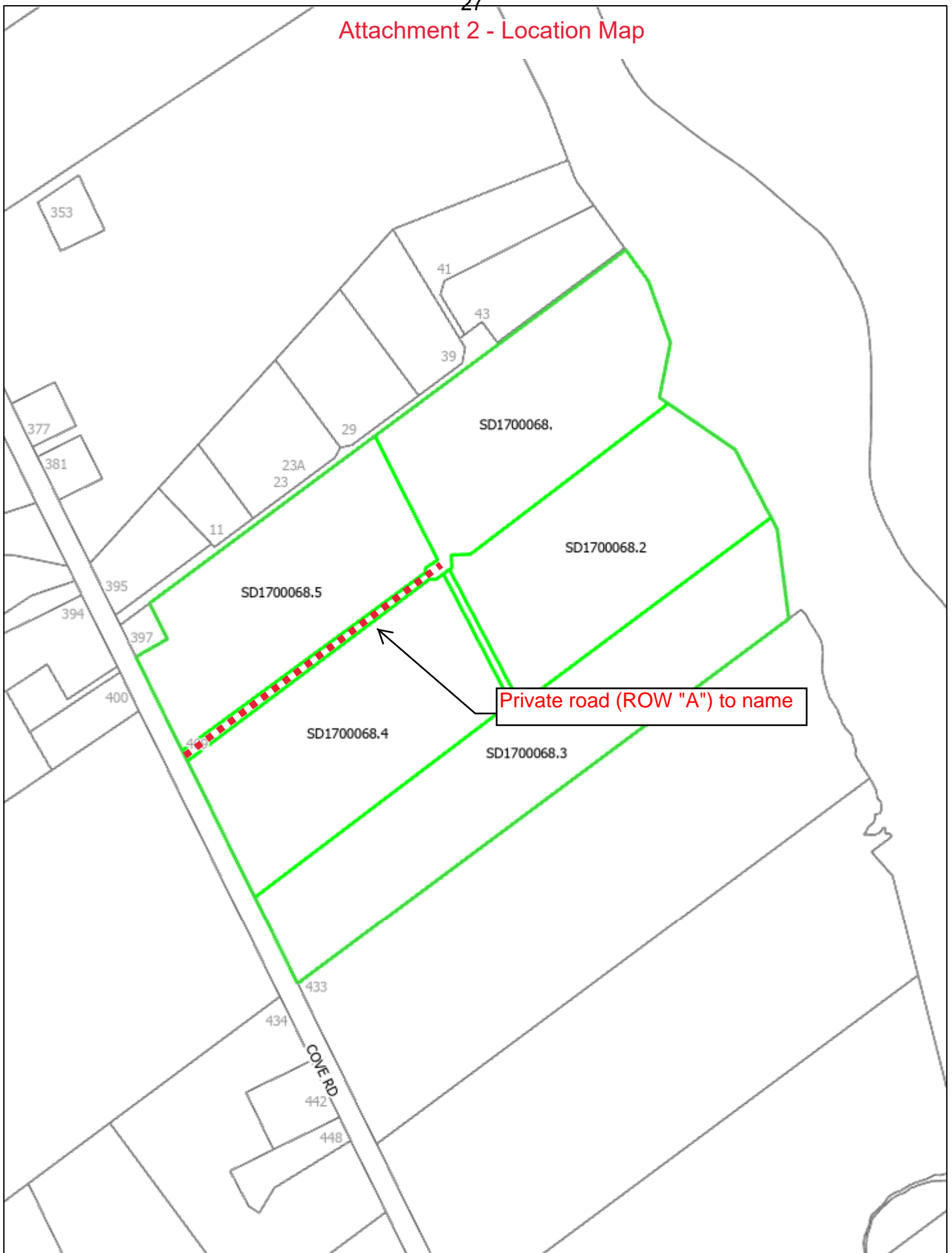
**Proposed Subdivision of
Pt Allot 300, Parish of Waipu**

Prepared for
WOODS END JV

1

DRAWN: LJR
DATE: Aug 2020
SCALES: 1:7500 (A3)
REVISIONS OF: 1 of 1
REF: S/10247/B

Attachment 2 - Location Map



GIS Maps Print



The information displayed is schematic only and serves as a guide.
It has been compiled from Whangarei District Council records and is made
available in good faith but its accuracy or completeness is not guaranteed.

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Tuesday, January 26, 2021



Scale: 1:4,514
Projection: NZGD2000 / NZTM 2000

Original Sheet Size 210x297mm

4.3 Whangarei District Airport - Draft Statement of Intent 2021/2022

Meeting: Strategy, Planning and Development Committee
Date of meeting: 18 February 2021
Reporting officer: Mike Hibbert (Commercial Property Portfolio Manager)

1 Purpose

To endorse the Whangarei District Airport Draft Statement of Intent, 2021/22 in accordance with Section 64 of the Local Government Act 2002.

2 Recommendation/s

1. That the Strategy, Planning and Development Committee under delegation endorse the Draft Statement of Intent 2021/2022 for the Whangarei District Airport
2. That the Strategy, Planning and Development Committee notes and provides feedback on the 2021/22 Draft Statement of Intent.

3 Background

The Draft Statement of Intent (SOI) has been reviewed for appropriateness in relation to the delivery of services, management and governance of the Whangarei District Airport and obligations to meet Section 64, Schedule 8, clause 6 and 9 (contents of the statement of intent) under the amended Local Government Act 2002.

Attached is the Draft Statement of Intent 2021/2022 for the Whangarei District Airport.

Figures are reflective of a staged recovery from post Covid activity within the sector. The next three years supports continued improvements in aviation activity from initial post Covid-19 predictions. Surpluses before depreciation are expected in years 2 and 3, this is an improved position from last year's SOI predictions.

Highlights included in this draft SOI are:

- Increased projected revenue:
 - Additional revenue from a recovering flight schedule and implementation of new and expanded lease agreements.
 - Implementation of routine rent reviews for existing lease agreements.
- Continued contract cost to maintain Civil Aviation Authority Safety Management System (SMS) including a H & S position

- Reviewed Health and Safety performance measure (#6) to align with Safety Management System objectives.

Capital Projects

A summary of High Priority capital projects for the next three years is included in appendix 3 of the document. These have been reprioritised to reflect existing commitments, compliance and forecast recovery of aviation activity based on the post Covid-19 environment.

With the depletion of cash reserves, the funding of future projects will require additional cash contributions, funded 50:50, by both Council and the Ministry of Transport as Joint Venture parties. A contribution from Council is estimated at \$695K over years 2 and 3 of the SOI, this figure is less than the previous budget and has been presented to Council for consideration in the Long-Term Plan.

All projects are still subject to Council and Ministry approval on a case by case basis. Projects beyond 2021 will be reviewed subject to the future operation of the airport at Onerahi.

4 Significance and engagement

Having considered the Significance and Engagement Policy this proposal or decision is not considered significant and the public will be informed via agenda publication on the website.

5 Attachments

1. Whangarei District Airport - Draft Statement of Intent 2021/22

Whangarei District Airport Draft Statement of Intent

For the year 1 July 2021 to 30 June 2022

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| 3 | Purpose of the Organisation | 3 |
| 4 | Nature and Scope of Activities | 3 |
| 5 | Approach to Governance | 4 |
| 6 | Objectives | 5 |
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1 Introduction

The Whangarei District Airport has experienced a small resurgence over the past twelve months despite the impact of the global pandemic (COVID-19). Although the pandemic has seen an unprecedented decline in the ability of the aviation industry to operate, activity at Whangarei is at approximately 85% of pre Covid-19 level. With the majority of international borders still closed the emphasis on domestic travel is paramount for the District and the relationship with our national service provider.

The focus over the next three years is to continue to meet the required legislative compliance while managing a sustainable operation on existing cash reserves. With cash reserves expected to be depleted in year two, capital works have been reprioritised to coincide with the forecast recovery and allow for Joint Venture parties to consider the allocation of additional funds through Long Term Plans.

Key areas of focus include;

- Continued Civil Aviation Certification
- Maintain effectiveness Safety Management System and continued development and compliance
- Explore additional revenue streams and further operational savings to offset forecast losses in landing fees and car parking
- Explore social and environmental responsibility initiatives
- Coordinated approach to support domestic tourism and the district development

Alternate future airport sites continue to be investigated as a consequence of physical limitations at Onerahi. Although a decision and timeframes are still pending, WDA continues to operate as the Districts aviation gateway to the Region and the rest of the Country.

2 Purpose of the Statement of Intent

This statement of intent is prepared in accordance with section 64 of the Local Government Act 2002. It outlines the activities and intentions of the Whangarei District Airport (Airport) for the next three financial years, and the objectives to which those activities will contribute.

3 Purpose of the Organisation

The overarching purpose of the Airport is to operate a fully serviceable Domestic Airport for the use of residents and visitors to the area. The Airport is situated at Onerahi in Whangarei. The day-to-day operational activities of the Airport are managed under the aegis of Whangarei District Council (Council) by way of a management contract with a contractor (currently Northland Aviation Limited).

4 Nature and Scope of Activities

4.1 Activities Provided

The nature of the activities that the Airport provides includes the following:

- To provide Airport services to and from the Whangarei area.
- To operate the Airport in a cost effective and efficient manner.
- To seek opportunities to widen the Airport's revenue base.
- To adhere to the terms of the Aerodrome Operating Certificate issued by the Civil Aviation Authority.

- To meet Civil Aviation Authority certification requirements.
- To achieve the objectives outlined in this statement of intent.

4.2 Whangarei District Council Vision

The Airport will operate in support of Council's vision and community outcomes. Council's vision is to be a 'vibrant, attractive, and thriving District'. This is achieved through the following community outcomes.

- Efficient and resilient core services
- Positive about the future
- Caring for the environment
- Proud to be local.

The Airport supports these outcomes by providing an Airport facility that acts as a gateway to the Whangarei District and to Northland.

4.3 Additional Legislation

The Airport has obligations under the Civil Aviation Act 1990 and will ensure that it complies with all requirements under this Act when operating the Airport.

The Airport was established under the Airport Authorities Act 1966 which governs how Council will operate and maintain the Airport.

5 Approach to Governance

5.1 Joint Venture Agreement

The Airport is owned and operated under a joint venture partnership between Council and the Crown (represented by the Ministry of Transport). The land that the Airport is situated on is 100% owned by the Crown, runways, plant and equity are 50% owned by the Crown and 50% owned by Council.

5.2 Airport Authority

Council operates the Airport as the Airport Authority under the Whangarei Airport Establishment Order 1963 pursuant to the Airport Authorities Act 1966. Council, as the Airport Authority, provides the role of the board of directors under the Local Government Act 2002. The Airport Authority meets on an as needed basis. Council contracts the day-to-day management of the Airport to Northland Aviation Limited under a management contract.

6 Objectives

1. To achieve the objectives of Whangarei District Council and the Ministry of Transport.

This includes achieving both the commercial and non-commercial objectives that are outlined in this statement of intent.

2. To operate a fully serviceable District Airport.

The Airport will operate as a fully serviceable District Airport for the use of visitors, residents and ratepayers.

3. To be a good employer.

The Airport will be a fair employer to its workers and maintain a good working environment.

4. To exhibit a sense of social and environmental responsibility.

The Airport operates with regard to appropriate environmental practices, legislation, and in recognition of the designation requirements of the District Plan.

5. Airport operation will meet the needs of aviation operators and their customers.

The short and long-term objectives of Airport operation will meet the needs of scheduled and non-scheduled aviation operators and their customers.

6. Health and safety standards are promoted and maintained.

This includes recognising the New Zealand Civil Aviation Authority health safety requirements and other requirements.

7 Performance Targets and Measures

| Related Objective | Performance Measure | | |
|---|---|---|---|
| | 2021/22 | 2022/23 | 2023/24 |
| 1. To achieve the objectives of WDC and the MoT. | To operate within agreed financial budgets. Actual spend ≤ budget. | Actual spend ≤ budget. | Actual spend ≤ budget. |
| 2. To operate a fully serviceable District Airport. | To encourage new business development and existing business expansion by engaging alternative aviation and airport service providers and enabling business to grow through lease management and land use consent process. | Enable business to grow through lease management and land use consent process. | Enable business to grow through lease management and land use consent process. |
| 3. To be a good employer. | Maintain user satisfaction through achieving satisfactory and very satisfactory ratings on the annual user survey. >75% | >75% | >75% |
| 4. To exhibit a sense of social and environmental responsibility. | Maintain best Practise noise management process Explore suitability opportunities | Record All noise complaints Comply with required noise contours | Record All noise complaints Comply with required noise contours |
| 5. Airport operation will meet the needs of aviation operators and their customers. | Maintain Airport Certification by continuing to meet certification standards required by the Civil Aviation Authority. | Fulfil expectations of the Civil Aviation Authority as determined by annual Audit. | Fulfil expectations of Civil Aviation Authority as determined by annual Audit. |
| | Meet required legislative timeframes under the LGA and CAA. | Meet required legislative timeframes. | Meet required legislative timeframes. |
| 6. Health and safety standards are promoted and maintained. | Maintain an effective Safety Management System. <ul style="list-style-type: none">• Annual management review• Annual training schedule is up to date• Airport Safety meetings every 10 weeks• Three operator meetings per year. | Maintain an effective Safety Management System. <ul style="list-style-type: none">• Annual management review• Annual training schedule is up to date• Airport Safety meetings every 10 weeks• Three operator meetings per year. | Maintain an effective Safety Management System. <ul style="list-style-type: none">• Annual management review• Annual training schedule is up to date• Airport Safety meetings every 10 weeks• Three operator meetings per year. |

7.1 Further Explanation

Any abbreviations and technical terms used in the table are defined below:

- CAA refers to the Civil Aviation Act 1990.
- LGA refers to the Local Government Act 2002.
- MoT refers to the Ministry of Transport.
- SMS refers to the Airport's Safety Management System.
- WDC refers to Whangarei District Council.

8 Information to be Provided Throughout the Financial Year

8.1 Monthly Reports

The Airport will provide a monthly report on the organisation's financial position. This will include:

- A statement of the monthly financial position.
- Variance reporting on revenue and expenditure; comparing actual figures to estimated figures.

The monthly report will be provided to the Airport Authority Board via Council's Property Manager/Finance Team.

8.2 Half-yearly Report

The Airport will provide Council and the Ministry of Transport with a half-yearly report on its operations. The half-yearly report will be provided within 2 months of the first half of the financial year ending (28 February 2022). The report will include:

- Commentary on operations for the relevant six-month period, including commentary on both the financial and non-financial results.
- A comparison of performance against the objectives and performance targets set out in the statement of intent.
- Un-audited financial statements including a statement of financial performance, statement of financial position, cashflow statement, and notes to the financial statements.
- Financial forecast for the balance of the year.

The format of the half-yearly report will be similar to this statement of intent.

8.3 Annual Report

The Airport will provide Council and the Ministry of Transport with an annual report on that Airport's operations for that year. The annual report will be provided within 3 months of the financial year ending (by 30 September 2022). The annual report will include all the information necessary to enable an informed assessment of operations, including:

- A comparison of the performance targets and measures outlined in this statement of intent, and the actual performance of the Airport for the financial year.
- Any material variances from the expected performance of the Airport, and explanations for those variances.
- The amount of any compensation sought or obtained from Council or the Ministry of Transport.

- Audited financial statements for the financial year including a statement of balance sheet, statement of income, statement of movements in equity, statement of cash flows, and notes on the financial statements to be presented in a standard format.
- An independent auditor's report on the financial statements and the performance targets and other measures by which the Airport's performance against its objectives may be judged.

The format of the annual report will be similar to this statement of intent.

8.4 No Surprises Approach

To ensure there is timely notification of any major issues, the Airport commits to a no surprises approach beyond the formal reporting requirements.

This means that Airport management (Northland Aviation Limited) will proactively inform Council and the Ministry of Transport, when the Airport's operations could; create a major issue for the Airport or Council, trigger public interest, have political implications, or gain significant media attention. Management will report to Council staff via email.

Management will seek Council and the Ministry of Transport's approval prior to any extraordinary expenditure.

9 Distribution of Accumulated Profits and Capital Reserves

There is no distribution of accumulated profits or capital reserves to the joint venture partners during the year.

10 Estimate of Commercial Value of the Shareholders' Investment

The commercial value of the partners' investment is set out in the statement of accounting policies included in this statement. It is noted that the land is a restricted asset and revaluation on a commercial basis would be misleading. The financial statements for the year ended 30 June 2020 record the total equity in the partnership of \$4,595,253 (2019 \$4,789,696).

11 Compensation Sought or Obtained

The Airport is not currently seeking any compensation from Council or the Ministry of Transport. Any compensation sought or obtained will be detailed in the annual report.

Council has a provision in its capital estimates for the expenditure of funds on non-aviation related items as a community contribution to amenities at the Airport, and occasional capital sum investment in the assets owned by Council at the Airport.

Appendix 1: Accounting Policies

Statement of Accounting Policies

1.1 Reporting entity

The Whangarei District Airport is a Council controlled organisation as defined under section 6 of the Local Government Act 2002. The Airport is administered by the Whangarei District Council in a joint venture operation with the Ministry of Transport and is domiciled in New Zealand.

2 Significant accounting policies

2.1 Basis of preparation

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Airport will continue to operate in the foreseeable future.

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting Accrual (Public Sector) on the basis that the Airport does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

Goods and services tax

The Airport is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar (\$) . The functional currency of the Entity is New Zealand dollars.

The financial statements are presented in New Zealand dollars.

2.2 Revenue and expenses

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, excluding Goods and Services Tax, rebates and discounts. Revenue is recognised as follows:

(i) Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

(ii) Interest income

Interest revenue is recorded as it is earned during the year.

(iii) Sale of services

Revenue from the sale of services is recognised when the services are provided to the customer.

(iv) Administration, overheads and other costs.

These are expensed when the related service has been received.

2.3 Income tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

2.4 Bank accounts and cash

Bank accounts and cash include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown as current liabilities in the statement of financial position.

2.5 Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

2.6 Property, plant and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

(i) Asset sales

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

(ii) Use of assets

For an asset to be used by the Airport, the asset is impaired if the value to the Airport in using the asset falls below the carrying amount of the asset.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives of major classes of assets have been estimated as follows:

| Class of PP&E | Estimated useful life |
|---------------|-----------------------|
| Land | Indefinite |
| Airside | 0-140 years |
| Buildings | 4-40 years |
| Landside | 0-140 years |
| Sundries | 5-67 years |
| Services | 0-40 years |

2.7 Investments

Investments comprise investments in terms deposits with banks.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

2.8 Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

2.9 Lease expense

Lease payments are recognised as an expense on a straight-line basis over the lease term.

2.10 Tier 2 PBE Accounting Standards applied

The Airport has not applied any Tier 2 Accounting Standards in preparing its financial statements.

2.11 Changes in Accounting Policies

There are no changes in accounting policies.

Appendix 2: Forecast Financial Information

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

| | BUDGET 30 June 2022 | BUDGET 30 June 2023 | BUDGET 30 June 2024 |
|---------------------------|------------------------|------------------------|------------------------|
| Income | | | |
| Landing fees | 350,000 | 400,000 | 400,000 |
| Sundry income advertising | 11,000 | 14,000 | 14,000 |
| Operational Recoveries | 30,000 | 30,000 | 30,000 |
| Rent received | 130,000 | 135,000 | 140,000 |
| Interest received | 500 | 500 | 500 |
| Carpark Income | 120,000 | 145,000 | 155,000 |
| Total Income | 641,500 | 724,500 | 739,500 |

Less Expenses**Airfield Expenses**

| | | | |
|--------------|----------------|----------------|----------------|
| Drainage | 5,306 | 5,412 | 5,520 |
| Fencing | 5,000 | 5,100 | 5,202 |
| Grounds R&M | 39,245 | 40,030 | 40,830 |
| Runway R&M | 10,612 | 10,824 | 11,041 |
| Lighting R&M | 26,530 | 27,061 | 27,602 |
| Other R&M | 26,530 | 27,061 | 27,602 |
| | 113,223 | 115,487 | 117,797 |

Terminal Expenses

| | | | |
|---------------------------|----------------|----------------|----------------|
| Insurance | 20,122 | 21,128 | 22,184 |
| Cleaning | 28,306 | 28,306 | 28,571 |
| Advertising | 5,800 | 3,984 | 4,143 |
| Rates | 23,001 | 23,806 | 24,997 |
| Electricity | 30,000 | 30,600 | 32,130 |
| Weather station | 5,000 | 3,600 | 3,780 |
| Security | 10,404 | 10,404 | 10,924 |
| Water | 1,840 | 1,900 | 1,995 |
| R&M | 30,000 | 35,100 | 36,855 |
| Administration | 200 | 200 | 210 |
| Other Expenses - Terminal | 5,000 | 10,616 | 11,147 |
| | 159,673 | 169,644 | 176,936 |

Administration Expenses

| | | | |
|-------------------------|----------------|----------------|----------------|
| Management Fee | 333,588 | 339,926 | 346,385 |
| Telephone | 1,698 | 1,732 | 1,767 |
| Audit fees | 23,753 | 24,228 | 24,713 |
| Accounting Fees | 11,500 | 11,730 | 11,965 |
| Bank Fees | 7,500 | 7,650 | 7,803 |
| Certification | 2,000 | 6,000 | 2,000 |
| Conferences | 5,500 | 5,500 | 5,500 |
| Other Expenses | 4,500 | 4,570 | 4,641 |
| Other Professional fees | 19,000 | 19,080 | 19,162 |
| | 411,039 | 422,416 | 425,935 |

Total Expenses before depreciation

| | | |
|----------------|----------------|----------------|
| 683,935 | 707,548 | 720,668 |
|----------------|----------------|----------------|

Net Surplus (Loss) before depreciation

| | | |
|-----------------|---------------|---------------|
| (42,435) | 16,952 | 18,832 |
|-----------------|---------------|---------------|

Depreciation

| | | |
|---------|---------|---------|
| 216,865 | 237,115 | 297,315 |
|---------|---------|---------|

Net Surplus (Loss) before tax

| | | |
|------------------|------------------|------------------|
| (259,300) | (220,163) | (278,484) |
|------------------|------------------|------------------|

Tax Expense

| | | |
|---|---|---|
| - | - | - |
|---|---|---|

| Net Surplus / (Deficit) | (259,300) | (220,163) | (278,484) |
|--|-------------------------|-------------------------|-------------------------|
| | 30 June 2022 | 30 June 2023 | 30 June 2024 |
| Capital Expenditure | | | |
| Avis compound expansion | 26,000 | | |
| Drainage and Pathways | 120,000 | | |
| Car park Extension/Security and flood lighting | | 140,000 | |
| Power & Capacity Upgrade | | 19,000 | |
| Lighting and Navigational Aids upgrade | | 100,000 | |
| Runway reseal | | | 500,000 |
| Taxiway Sealing | | | 95,000 |
| Apron | | | 350,000 |
| Total capital expenditure | 146,000 | 259,000 | 945,000 |

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY

| | 30 June 2022 | 30 June 2023 | 30 June 2024 |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
| Opening Equity as at 1 July | 4,307,451 | 4,048,151 | 4,087,987 |
| Capital Contribution | - | 260,000 | 930,000 |
| Plus Profit (Loss) for the year | (259,300) | (220,163) | (278,484) |
| Total increase/(decrease) in equity | (259,300) | 39,837 | 651,516 |
| Closing Equity as at 30 June | 4,048,151 | 4,087,987 | 4,739,504 |

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

| | 30 June 2022 | 30 June 2023 | 30 June 2024 |
|-----------------------------|-------------------------|-------------------------|-------------------------|
| Equity | 4,048,151 | 4,087,987 | 4,739,504 |
| Total Equity | 4,048,151 | 4,087,987 | 4,739,504 |
| Current Assets | | | |
| Cash and Cash equivalents | 4,317 | 22,269 | 26,101 |
| Trade and other receivables | 60,980 | 60,980 | 60,980 |
| | 65,297 | 83,249 | 87,081 |

**Current Liabilities**

| | | | |
|---------------------------------------|---------|--------|--------|
| Trade and other payables and accruals | 71,051 | 71,051 | 71,051 |
| Working Capital | (5,754) | 12,198 | 16,030 |

Non Current Assets

| | | | |
|------------------------------|------------------|------------------|------------------|
| Property plant and equipment | 4,053,904 | 4,075,789 | 4,723,474 |
| Total Net Assets | 4,048,151 | 4,087,987 | 4,739,504 |

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Appendix 3: Capital Investment Plan

Whangarei District Airport: Capital Investment Plan 2021-2024

| Schedule | Task | Comments | Cost Est | Priority |
|---|--|-------------------------|------------------|------------|
| 2021-22 | | | | |
| Vehicle Compound (Avis) | Lease expansion and storage | Return on investment | \$26,000 | HP |
| Drainage and pathways | Drainage and pathways upgrade | | \$120,000 | |
| Total | | | \$146,000 | |
| 2022 - 2023 Pending long term future of Airport at Onerahi | | | | |
| Car park extension/security and Floodlighting | Development - manage increased parking requirements and security | return on investment | \$140,000 | HP |
| Power & Capacity Upgrade | Required for any further development. | | \$19,000 | HP |
| Lighting and Navigational Aids upgrade | | compliance | \$100,000 | HP |
| Total | | | \$259,000 | |
| 2023 -2024 onwards Pending long term future of Airport at Onerahi | | | | |
| Apron | Extension | | \$350,000 | HP |
| Sealed Area. - Runway | Reseal - Scheduled for 2023, could be deferred. | assumed life to 2023/24 | \$500,000 | HP |
| Taxiway Sealing | recoat existing taxiway seal | | \$95,000 | HP |
| Total | | | \$945,000 | |
| Future opportunities Pending long term future of Airport at Onerahi | | | | |
| Solar Power Generation | Reduce Carbon footprint - Sustainable power source for operational needs | Return on investment | \$250,000 | DEV |
| Total | | | \$250,000 | |

HP-High priority LP- Low priority Dev- Development Opportunity

Only High Priority Capital Projects have been included in the 2021-22 Statement of Intent and are subject to MoT and WDC approval.

5.1 Whangarei District Airport Half Yearly Financial Report to 31 December 2020

Meeting: Strategy, Planning and Development Committee
Date of meeting: 18 February 2021
Reporting officer: Mike Hibbert (Commercial Property Portfolio Manager)

1 Purpose

To provide the half yearly financial report for the Whangarei District Airport.

2 Recommendation/s

That the Strategy, Planning and Development Committee, under delegation notes the half yearly financial report to 31 December 2020 for the Whangarei District Airport.

3 Background

Section 66 of the amended Local Government Act (2002) requires that Council Controlled Organisations (CCOs) must deliver a financial report to Council on their half yearly operations. To that end, the half year reports for the 20/21 financial year for the Whangarei District Airport are attached

4 Financial Summary

The 20/21 half year report is effectively a snap shot of the post Covid-19 impact on airport operations.

Attachment 1 details the financial statements for the six months ended 31 December 2020. Attachment 2 details the performance to date of the airport and the anticipated forecast for the end of year 30 June 2021.

The overall forecast has a positive variance of \$121,000 compared to budget. Revenue forecast is approximately \$94,000 greater than budget due to a steady recovering of flights and associated landing fees and parking activity. Additional operational savings have been made due to deferred R & M Gardens and the timing of minor runway and other maintenance as a consequence of weather events and reduced initial aviation activity.

5 Significance and engagement

The decisions or matters in this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments

1. Financial statements for the six months ended 31 December 2020.
2. Financial performance to date and forecast for the end of year 30 June 2021.

**Whangarei District Airport
Financial statements
For the six months ended
31 December 2020**

Whangarei District Airport

Financial statements - 31 December 2020

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Entity Information**Legal name**

Whangarei District Airport (the Airport).

Type of entity and legal basis

The Airport is a Council controlled organisation as defined under section 6 of the Local Government Act 2002. The Airport is administered by the Whangarei District Council in a joint venture operation with the Ministry of Transport and is domiciled in New Zealand.

The Airport acts as a gateway to the Whangarei District and Northland, and is provided for the use of visitors, residents and ratepayers of the Whangarei District.

The Airport's purpose

The Airport's primary objective is to operate a fully serviceable airport for the use of visitors, residents and ratepayers of the Whangarei District.

Structure of the Airport's operations, including governance arrangements

The Whangarei District Council has overall responsibility for the management and governance of the Airport. Council is delegated the responsibility of Governance, while the operational management of the Airport is controlled by way of a contract with Northland Aviation Limited.

Main sources of the Airport's cash and resources.

Revenue from operations are the primary sources of funding to the Airport.

Authorisation

The Board of Whangarei District Airport authorised these financial statements presented on the following pages 3 to 12

For and on behalf of the Board:

S Mai
Mayor

S Deeming
Chair - Strategy, Planning and Development
Committee

Whangarei District Airport
Statement of financial performance
For the six months ended
31 December 2020

Statement of financial performance
For the six months ended 31 December 2020

| | Note | 31 December 2020 Actual \$ | 30 June 2021 Budget \$ | 30 June 2020 Actual \$ |
|-------------------------------------|------|-------------------------------------|---------------------------------|---------------------------------|
| Revenue | | | | |
| Revenue from operations | 3 | 293,420 | 417,838 | 622,975 |
| Interest revenue | | 547 | 500 | 4,049 |
| Total revenue | | <u>293,967</u> | <u>418,338</u> | <u>627,024</u> |
| Expenditure | | | | |
| Repairs and maintenance | | 24,442 | 98,000 | 73,465 |
| Management fee | | 147,688 | 338,982 | 284,020 |
| Depreciation and amortisation | 8 | 104,783 | 221,625 | 206,396 |
| Other expenses | 4 | 84,338 | 168,657 | 257,588 |
| Total operating expenditure | | <u>361,251</u> | <u>827,264</u> | <u>821,469</u> |
| Surplus/(deficit) before tax | | (67,284) | (408,926) | (194,445) |
| Income tax expense | 5 | - | - | - |
| Surplus/(deficit) after tax | | <u>(67,284)</u> | <u>(408,926)</u> | <u>(194,445)</u> |

Whangarei District Airport
Statement of financial position
As at 31 December 2020

Statement of financial position
As at 31 December 2020

| | | 31 December 2020 Actual \$ | 30 June 2021 Budget \$ | 30 June 2020 Actual \$ |
|--------------------------------------|------|---|---|---|
| | Note | | | |
| ASSETS | | | | |
| Current assets | | | | |
| Bank accounts and cash | 6 | 278,767 | 656 | 396,989 |
| Debtors | 7 | 101,698 | 66,509 | 75,021 |
| Provision for income tax | | - | - | - |
| Total current assets | | 380,465 | 67,165 | 472,010 |
| Property, plant and equipment | 8 | 4,218,552 | 4,149,707 | 4,304,087 |
| Total non-current assets | | 4,218,552 | 4,149,707 | 4,304,087 |
| Total assets | | 4,599,017 | 4,216,872 | 4,776,097 |
| LIABILITIES | | | | |
| Creditors and other payables | 9 | 71,051 | 77,220 | 180,844 |
| Total current liabilities | | 71,051 | 77,220 | 180,844 |
| Non-current liabilities | | | | |
| Deferred income tax | | - | - | - |
| Total non-current liabilities | | - | - | - |
| Total liabilities | | 71,051 | 77,220 | 180,844 |
| ASSETS LESS LIABILITIES | | 4,527,966 | 4,139,652 | 4,595,253 |
| ACCUMULATED FUNDS | | | | |
| Retained earnings | 10 | 1,244,774 | 2,271,172 | 1,312,061 |
| Contributed Capital | 10 | 3,283,192 | 1,868,480 | 3,283,192 |
| Total equity | | 4,527,966 | 4,139,652 | 4,595,253 |

Whangarei District Airport
Cash flow statement
For the six months ended
31 December 2020

Cash flow statement

For the six months ended 30 June 2020

| | 31 December 2020 Actual \$ | 30 June 2020 Actual \$ |
|--|---|---|
| Cash flows from operating activities | | |
| Revenue from operations | 278,747 | 621,918 |
| Interest received | <u>859</u> | <u>4,400</u> |
| | <u>279,606</u> | <u>626,318</u> |
| Cash was applied to / from | | |
| Payments to suppliers | (372,004) | (524,939) |
| Income tax paid | - | - |
| Goods and services tax (net) | <u>6,576</u> | <u>(5,431)</u> |
| Total cash provided to operating activities | <u>378,580</u> | <u>(530,370)</u> |
| Net cash flow from operating activities | <u>(98,974)</u> | <u>95,948</u> |
| Purchase and development of property, plant and equipment | <u>(19,248)</u> | <u>(67,367)</u> |
| Net cash flow from investing activities | <u>(19,248)</u> | <u>(67,367)</u> |
| Net (decrease)/increase in cash, cash equivalents, and bank overdrafts | (118,222) | 28,581 |
| Bank accounts and cash, and bank overdrafts at the beginning of the year: | <u>396,989</u> | <u>368,408</u> |
| Cash, cash equivalents, and bank overdrafts at the end of the year | <u>278,767</u> | <u>396,989</u> |

1 Statement of accounting policies for the six months ended 31 December 2020

1.1 Reporting entity

The Whangarei District Airport is a Council controlled organisation as defined under section 6 of the Local Government Act 2002. The Airport is administered by the Whangarei District Council in a joint venture operation with the Ministry of Transport and is domiciled in New Zealand.

2 Significant accounting policies

2.1 Basis of preparation

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Airport will continue to operate in the foreseeable future.

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting Accrual (Public Sector) on the basis that the Airport does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

Goods and services tax

The Airport is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar (\$) . The functional currency of the Entity is New Zealand dollars.

The financial statements are presented in New Zealand dollars.

2.2 Revenue and expenses

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, excluding Goods and Services Tax, rebates and discounts. Revenue is recognised as follows:

(i) Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

(ii) Interest income

Interest revenue is recorded as it is earned during the year.

(iii) Sale of services

Revenue from the sale of services is recognised when the services are provided to the customer.

(iv) Administration, overheads and other costs.

These are expensed when the related service has been received.

2.3 Income tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

2.4 Bank accounts and cash

Bank accounts and cash include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown as current liabilities in the statement of financial position.

2.5 Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a doubtful debt expense.

2 Significant accounting policies (continued)

2.6 Property, plant and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

(i) Asset sales

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

(ii) Use of assets

For an asset to be used by the Airport, the asset is impaired if the value to the Airport in using the asset falls below the carrying amount of the asset.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives of major classes of assets have been estimated as follows:

| Class of PP&E | Estimated useful life |
|--------------------------|------------------------------|
| Land | Indefinite |
| Airside | 0-140 years |
| Buildings | 4-40 years |
| Landside | 0-140 years |
| Sundries | 5-67 years |
| Services | 0-40 years |

2.7 Investments

Investments comprise investments in terms deposits with banks.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

2.8 Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

2.9 Lease expense

Lease payments are recognised as an expense on a straight-line basis over the lease term.

2.10 Tier 2 PBE Accounting Standards applied

The Airport has not applied any Tier 2 Accounting Standards in preparing its financial statements.

2.11 Changes in Accounting Policies

There are no changes in accounting policies.

Whangarei District Airport
Notes to the financial statements
31 December 2020
(continued)

3 Revenue from operations

| | December 2020 | Budget 2021 | Actual 2020 |
|--------------------------------------|------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Landing fees | 130,579 | 227,838 | 289,699 |
| Rent received | 93,586 | 128,000 | 190,289 |
| Operating expenses recoveries | 8,962 | 20,000 | 33,930 |
| Other recoveries | 9,939 | - | 7,436 |
| Other revenue | - | 2,000 | 4,279 |
| Parking Revenue | 50,354 | 40,000 | 97,342 |
| Total revenue from operations | 293,420 | 417,838 | 622,975 |

4 Other expenses

| | December 2020 | Budget 2021 | Actual 2020 |
|--|------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Cleaning | 13,088 | 21,500 | 17,923 |
| Electricity | 13,594 | 35,000 | 32,707 |
| Auditors fees for financial statements | 11,580 | 24,000 | 22,536 |
| Other expenses | 46,076 | 88,157 | 184,148 |
| Loss on disposals of PPE | - | - | 5 |
| Bad debts written off | - | - | 302 |
| Movement in doubtful debt provision | - | - | (33) |
| Total other expenses | 84,338 | 168,657 | 257,588 |

5 Income tax - not calculated for half yearly accounts

| | December 2020 Actual \$ | June 2020 Actual \$ |
|---|----------------------------------|------------------------------|
| Relationship between tax expense and accounting profit | | |
| Accounting surplus/(deficit) before tax | (67,284) | (194,445) |
| Plus / (Less): adjustment for non-tax deductible items | - | (1,795) |
| Taxable surplus (deficit) | (67,284) | (196,240) |
| Tax at 28% | (18,840) | (54,947) |
| Plus/(less) tax effect of: | | |
| Tax losses utilised | - | 54,947 |
| Tax losses carried forward | - | - |
| Tax expense | (18,840) | - |

Whangarei District Airport
Notes to the financial statements
31 December 2020
(continued)

6 Bank accounts and cash

| | December 2020 Actual \$ | June 2020 Actual \$ |
|-------------------------------------|----------------------------------|------------------------------|
| Bank deposits | 225,355 | 224,504 |
| Bank balances | <u>53,412</u> | <u>172,485</u> |
| Total bank accounts and cash | <u>278,767</u> | <u>396,989</u> |

Cash at bank and on hand

The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.

7 Debtors and other receivables

| | December 2020 Actual \$ | June 2020 Actual \$ |
|------------------------------------|----------------------------------|------------------------------|
| Debtors and other receivables | 102,256 | 75,579 |
| Provision for doubtful receivables | <u>(558)</u> | <u>(558)</u> |
| Net debtors | <u>101,698</u> | <u>75,021</u> |

8 Property, plant and equipment

| | Work in progress \$ | Land \$ | Landside \$ | Buildings \$ | Airside \$ | Services \$ | Sundries \$ | Total \$ |
|--|---------------------------|----------------|----------------|-----------------|------------------|----------------|----------------|------------------|
| Year ended 30 June 2020 | | | | | | | | |
| Opening carrying amount | - | 810,000 | 515,047 | 755,513 | 2,210,352 | 36,373 | 115,836 | 4,443,121 |
| Additions | - | - | - | - | 67,367 | - | - | 67,367 |
| Disposals | - | - | - | - | - | - | - | - |
| Loss on disposal | - | - | - | - | (5) | - | - | (5) |
| Depreciation charge | - | - | (28,924) | (48,394) | (107,267) | (2,491) | (19,320) | (206,396) |
| Balance at 30 June 2020 | - | 810,000 | 486,123 | 707,058 | 2,170,508 | 33,883 | 96,515 | 4,304,087 |
| 2020 | | | | | | | | |
| 6 months ended 31 December 2020 | | | | | | | | |
| Opening balance | - | 810,000 | 486,123 | 707,058 | 2,170,508 | 33,883 | 96,515 | 4,304,087 |
| Additions | 19,247 | - | - | - | - | - | - | 19,247 |
| Disposals | - | - | - | - | - | - | - | - |
| Depreciation charge | - | - | (14,471) | (25,715) | (53,957) | (1,256) | (9,384) | (104,783) |
| As at 31 December 2020 | 19,247 | 810,000 | 471,652 | 681,313 | 2,116,581 | 32,627 | 87,132 | 4,218,552 |

There are no restrictions over the title of the Airport's property, plant and equipment, nor is any property, plant and equipment pledged as security for liabilities.

Whangarei District Airport
Notes to the financial statements
31 December 2020
(continued)

9 Creditors and accrued expenses

| | December 2020 Actual \$ | June 2020 Actual \$ |
|---|----------------------------------|------------------------------|
| Accrued expenses | 35,047 | 109,520 |
| Trade creditors and other payables | 2,509 | 37,829 |
| Rents in advance | <u>33,495</u> | <u>33,495</u> |
| Total creditors and accrued expenses | <u>71,051</u> | <u>180,844</u> |

Creditors and accrued expenses are non-interest bearing and normally settled 30 day terms. Therefore the carrying value of creditors, accrued expenses and rents in advance approximate their fair value.

10 Equity

| | December 2020 Actual \$ | June 2020 Actual \$ |
|------------------------------------|----------------------------------|------------------------------|
| Retained earnings | 1,244,774 | 1,312,061 |
| Contributed Capital | <u>3,283,192</u> | <u>3,283,192</u> |
| Balance at 31 December 2020 | <u>4,527,966</u> | <u>4,595,253</u> |

| | December 2020 Actual \$ | June 2020 Actual \$ |
|------------------------------------|----------------------------------|------------------------------|
| Retained Earnings | | |
| Balance at 1 July | 1,312,058 | 1,506,506 |
| Surplus/(deficit) for the year | <u>(67,284)</u> | <u>(194,445)</u> |
| Balance at 31 December 2020 | <u>1,244,774</u> | <u>1,312,061</u> |

| | December 2020 Actual \$ | June 2020 Actual \$ |
|------------------------------------|----------------------------------|------------------------------|
| Contributed Capital | | |
| Loans Repaid | 256,512 | 256,512 |
| Local Community | 12,500 | 12,500 |
| Ministry of Transport | 1,987,834 | 1,987,834 |
| Whangarei District Council | <u>1,026,346</u> | <u>1,026,346</u> |
| Balance at 31 December 2020 | <u>3,283,192</u> | <u>3,283,192</u> |

11 Contingencies

The Airport has no contingent liabilities (2020: nil) and no contingent assets (2020: nil).

12 Commitments

The Airport has no capital commitments (2020: nil).

13 Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Airport would have adopted in dealing with the party at arm's length in the same circumstances.

All related party transactions have been entered into at arm's length.

Whangarei District Airport
Forecasting 2020-21
Up to and including period 6

| <i>Revenue</i> | Actuals YTD | Full year forecast | Full year budget | Variance | Commentary |
|---------------------------|--------------------|---------------------------|-------------------------|-----------------|---------------------------------------|
| Gate Revenue | 50,354 | 110,000 | 40,000 | 70,000 | COVID impacts less than anticipated. |
| User Fee/Charge | 130,579 | 276,397 | 227,838 | 48,559 | COVID impacts less than anticipated. |
| Misc Income - advertising | - | 2,000 | 2,000 | - | |
| Operational Rec | 18,901 | 22,641 | 20,000 | 2,641 | |
| Other Rentals | 93,586 | 100,000 | 128,000 | (28,000) | Due COVID lost tenants (rental cars). |
| Invest Interest | 547 | 1,094 | 500 | 594 | |
| Total Income | 293,967 | 512,132 | 418,338 | 93,794 | Positive variance against budget |
| <i>Expenditure</i> | | | | | |
| Learning & Dev | 1,287 | 1,287 | 500 | (787) | |
| Refreshments | 650 | 1,000 | 500 | (500) | User and safety Committee meetings |
| General Misc | 985 | 1,970 | 5,000 | 3,030 | |
| Tele/Comm | - | 1,400 | 1,500 | 100 | |
| Postage/Courier | 516 | 516 | - | (516) | |
| Insurance | - | 19,164 | 19,164 | - | |
| Advert Other | 570 | 800 | 1,500 | 700 | |

| Expenditure | Actuals YTD | Full year forecast | Full year budget | Variance | Commentary |
|----------------------|--------------------|---------------------------|-------------------------|-----------------|---|
| Electricity | 13,594 | 27,188 | 35,000 | 7,812 | |
| Rates Paid | 10,348 | 20,696 | 22,224 | 1,528 | |
| Certification | - | 2,000 | 2,000 | - | |
| Weather Forecast | 1,620 | 3,240 | 4,000 | 760 | |
| Travelling Exp | 1,991 | 1,991 | - | (1,991) | Airport Association Hui (COVID related) plus MOT meeting. |
| Signs Exp | 282 | 564 | 800 | 236 | |
| Pest C | 650 | 1,301 | 3,000 | 1,699 | |
| Cleaning Consumables | 2,175 | 4,351 | 4,500 | 149 | |
| Management Fee | 147,688 | 340,000 | 338,982 | (1,018) | Includes 1.4% CPI adjustment plus SMS portion of fee (50K). |
| H&S Compliance | 1,817 | 3,000 | 3,000 | - | |
| Vehicle Running | 2,839 | 3,500 | 3,500 | - | |
| Bank Fees/Charges | 3,783 | 7,566 | 5,500 | (2,066) | |
| COVID 19-relief | 1,478 | 1,478 | - | (1,478) | No further rent relief anticipated. |
| Cleaning | 10,250 | 20,499 | 18,000 | (2,499) | |
| Security | 4,734 | 9,468 | 10,200 | 732 | |
| Payments to Ext | 2,429 | 2,429 | 2,000 | (429) | |
| Other Profess | 6,076 | 8,000 | - | (8,000) | |
| Audit -External | 11,580 | 23,160 | 24,000 | 840 | |

| <i>Expenditure</i> | Actuals YTD | Full year forecast | Full year budget | Variance | |
|----------------------------|-----------------|-----------------------|---------------------|----------------|---|
| R&M Buildings | 3,465 | 3,465 | - | (3,465) | |
| Runway Maintenance | - | 5,000 | 10,000 | 5,000 | |
| R&M Gardens | 7,083 | 15,000 | 25,000 | 10,000 | Deferred gardening due to weather extremes. |
| R&M Fence | - | 1,000 | 1,000 | - | |
| Sealed Area R&M | 193 | 30,000 | 30,000 | - | |
| R&M: Lighting | 14,508 | 20,000 | 20,000 | - | |
| R&M: Other | 2,659 | 6,000 | 12,000 | 6,000 | |
| Depn Buildings | 25,715 | 51,430 | 48,482 | (2,948) | |
| Depn Landside | 14,471 | 28,942 | 28,977 | 35 | |
| Depn Airside | 53,957 | 107,915 | 122,315 | 14,400 | |
| Depn Services | 1,256 | 2,511 | 2,495 | (16) | |
| Depn Sundries | 9,384 | 18,767 | 19,356 | 589 | |
| Total Expenditure | 361,251 | 799,931 | 827,264 | 27,333 | positive variance against budget |
| Net Profit / (Loss) | (67,284) | (287,799) | (408,926) | 121,127 | Total positive variance against budget |

5.2 Operational Report – Corporate Group – February 2021

Meeting: Strategy, Planning and Development Committee
Date of meeting: 18 February 2021
Reporting officer: Alan Adcock (General Manager – Corporate/CFO)

1 Purpose

To provide a brief overview of work across functions and services that the Corporate Group is responsible for.

2 Recommendation

That the Strategy, Planning and Development Committee notes the Corporate Group operational report for February 2021.

3 Background

The Strategy, Planning and Development Committee terms of reference list key responsibilities which include provision of an operational report from the Corporate Group.

This report provides a brief overview of some of the operational highlights across functions and services of the Corporate Group, including comment on some future planned activities.

4 Significance and engagement

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

5 Attachment

Corporate Group Operational Report – February 2021

Operational Report – Corporate Group – February 2021

Procurement Reporting – Contracts Approved Under Delegated Authority

Contracts have been reviewed and there are none to report for this period.

Information Communications Technology (ICT)

ICT Operations

Regular upgrades of network devices (software and hardware), maintenance of ICT systems and applications, upkeep of ICT infrastructure and security continues to be the main focus of the ICT Operations team.

ICT Operations also has responsibility for directly managing contracts with most vendors and suppliers of technology – such as software licensing, service desk, network links, infrastructure (hardware and software), cloud services and co-ordinating IT systems training. Vendor management meetings and discussions are on-going to ensure levels of service are consistently maintained, if not improved.

We are currently working on the prioritisation of all work, to ensure we are able to address security drivers, projects, improvements and BAU initiatives such as reducing risk around legacy systems.

Security

A number of systems have been migrated from out-of-support servers or decommissioned entirely, thereby enabling a removal of security concerns, improving Council's security footprint and also reducing monthly costs.

Testing is underway to ensure that Kete will support Microsoft's latest version of their web browser, Microsoft Edge. This will enable us to remove Microsoft Internet Explorer, which will be unsupported next year and is currently unsupported by many websites.

There have been some well-publicised issues with one of our vendors (Accellion), where their file sharing software was compromised. While WDC was not affected (or at risk) in any way, we are migrating to a different product in their suite as a precautionary measure. KiteWorks will soon be deployed as our secure file sharing system for both internal and customer use.

Work is still being undertaken to review and update all ICT Security Policies.

BAU Initiatives

The team have been working with the project team to ensure a smooth transition of the Service Desk function from Eagle to NorthCloud. This has involved the documentation and sharing of knowledge with the new service desk to ensure that WDC staff experience a much improved service, while also shifting some tasks from ICT to the service desk.

Planning for the next round of PC refreshes is underway, to enable the replacement of laptops currently out of warranty.

Work is currently underway to test the upgrade of Microsoft Office, ensuring that WDC stays as close to the latest version as possible, mitigating against security risks and providing the latest functionality to end users.

Improvements

Operations and Projects teams are working on a way to work in a collaborative manner, in order to deliver WDC focussed projects while also ensuring that operational duties are undertaken, reducing risk and cost increase.

A review of internal processes has been started, to ensure that the team operates in a consistent manner.

Projects

The team are involved in assisting with the delivery of projects as required.

ICT Projects

ICT Projects team are in the process of introducing tools to assist in the efficient running of projects. This will give both the department and the business in general more of an overview of progress and any current or potential roadblocks. This will also provide benchmarking reports and dashboards against we and our users can measure our performance.

| Project | Description | Current Status | Comment |
|--|---|----------------------|--|
| Technology One Ci to Ci Anywhere (CiA) | Next generation software upgrade of core Council system | Paused / Slowed down | <ul style="list-style-type: none"> CiA Requests Online: Agile design-build-show process continues with analyst and SME Testing scheduled before end of December. Delivery of Nucleus Synchronisation functionality from Tech One delayed from October to January. 2020B version upgrade: Subject matter experts are currently performing regression testing. |
| SIGMA | Asset management migration and upgrade of GIS | Delayed | Review of some business needs caused rework of some data migration scripts. Change freeze imposed which prohibits any further changes to data structure. More than 80% of assets are now loaded into TechOne. We are still firmly on track to meet the delivery date of 1 July 2021. |
| Digital Platform | Review and redevelopment of Council websites | On schedule | The new website has been well accepted. Old website is still functioning in the background as it continues to provide certain functionality passively. Next phase of the project to migrate the remaining functions onto the new platform will begin March. |

| | | | |
|-------------------------------------|--|-------------|--|
| Service Desk replacement | Replace current Service Desk vendor | Planning | Initial testing complete. We will begin the second round of testing in early February as some testing was unable to be performed on the demo version. Handover and training is scheduled for February. Go-live on 22 February. |
| Telephony as a Service | Replace telephony system | Initiated | Business analysis is underway to ascertain current system architecture and identify key business needs which will then influence the design of the new telephony system. |
| Building Consent Application system | Portal for customers to lodge and track Building consents | Initiated | Procurement process underway and preferred supplier identified. Next steps – virtual site visits |
| Cloud strategy (... as a Service) | Migrating legacy and unsupported applications to the Cloud | On schedule | Hansen minimum required version has been tested. Rendezvous upgrade, testing is complete, contract review is underway before signing off. |

Finance

2020-21 Financial Year

Operational forecasting was not completed during the holiday period. Budget managers will be updating their full year forecast position in February. With substantial budget cuts made as part of this year's Annual Plan budget, subsequent additional unbudgeted spend approved by Council, and unbudgeted central government funding, we expect to see considerable variations against the Annual Plan budget.

Projects forecasting is currently underway. This will provide up-to-date information on the progress of our capital works programme and anticipated levels of carry forwards at year end.

Half yearly financial statements are currently being prepared for Whangarei District Airport and Whangarei Art Museum Trust.

2020-21 Annual Report

Planning for the 2020-21 Annual Report and associated audit is underway. With various central government funding contracts and property transactions occurring throughout the year, combined with the continued uncertainty due to Covid, we expect to face some complexities during the preparation and audit of our annual report.

2021-31 Long Term Plan

A number of changes were required to be made to the financial statements after the December Council meeting, as we continue to update our budget to reflect information as it comes to hand. Updated financial statements are currently being finalised ahead of adoption of the LTP for consultation. Staff are working with Audit New Zealand who are onsite and working through the LTP audit.

Fees and Charges

Calculation and preparation of fees and charges for the 2021-2022 year is in progress. The consultation process will run concurrently with the Long Term Plan (LTP) consultation, for those fees subject to this legislative requirement. The remainder of the fees not subject to consultation will be tabled for adoption at the February Council meeting.

The majority of fees include a proposed increase of 2.5%. This is the inflation rate used across the 10 years of the LTP. The rate of 2.5% has been derived from the Business and Economic Research Ltd (BERL) Local Government Cost Adjustor Forecasts. BERL provided various scenarios and forecasts in their publication. The anticipated impacts and uncertainty of COVID-19 resulted in significant fluctuations in rates across the first few years of the LTP. Local government advice has been to ignore this short-term noise. To achieve this, Councils inflation adjustor of 2.5% has been calculated as an average of the 10 years of the LTP.

Other notable proposed increases over 2.5% include:

- dog registrations: to contribute towards additional costs for enhanced dog control services, and to re-align fee recovery with the draft Revenue and Financing Policy
- lodgement fee deposits for private plan changes and resource consents: to better reflect the cost of the service.
- some fees propose no change from prior year.

Full details will be provided within the Fees and Charges agenda.

Revenue

December was a busy month and January started quietly. The 3rd land rates instalment was sent on 20 January which has increased customer queries and payments. Property sale activity restarted 11 January with many solicitors returning to work.

Property, rating and receivable transactions

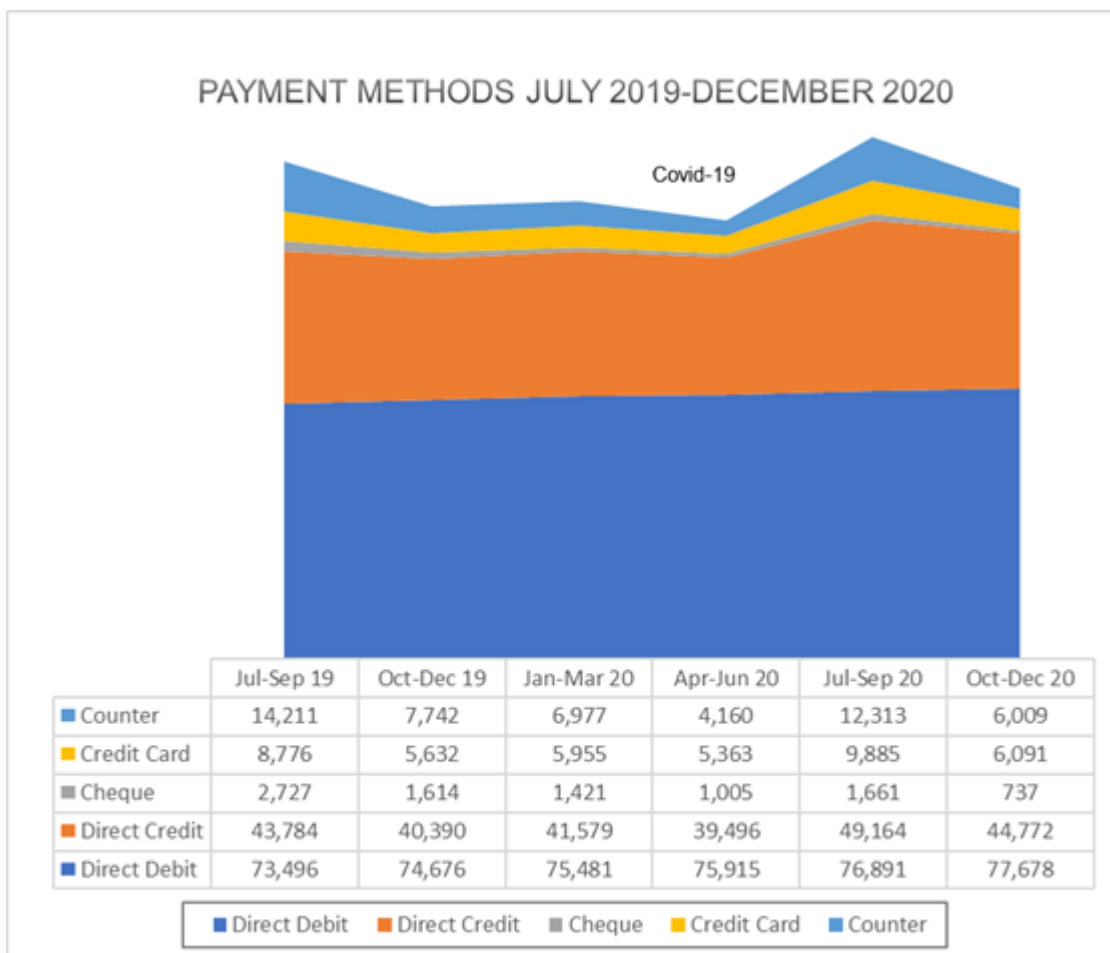
There were 272 property sales in January, 56% more than January 2020.

Property sales statistics support the property market news. The graph below compares July to December 2019 and 2020.



Collection and recovery

- Current year rates arrears are \$1.3 million.
- Prior years' arrears are \$1.9 million including \$1.3 million Māori Freehold Land.
- People are changing how they pay us. The graph below shows the number of payments by type, for each quarter over the last 18 months.



Cheques are being phased out – we will stop accepting cheques one week before the banks' cut-off dates (to ensure the cheques are honoured):

- ANZ - 31 May
- Westpac - 25 June
- BNZ (our lodgement bank) - 1 July

From January, any cheques received by post, are followed up with a letter informing the customer of other payment options. We will be unable to process any cheques after 1 July.

Business Support

Information Management (IM)

Archives Future

Driven by the new civic building, planning and development work is underway on a report for the future of Council's archives.

The report outlines the current situation and options for future management of archives which includes retention and disposal, preservation of vital and protected records and relocation to the new civic building where appropriate.

The work will also include policies, guidance and training to ensure we leverage on this opportunity to improve the lifecycle management of physical information rather than just storing it which has been the case historically.

Digitisation

The DigiHub continues to operate steadily. A review of the work completed during 2020 is underway which will include a forecast of the balance of work ahead and what this looks like in terms of meeting the original 18 month planning. Given we have had some significant production delays with resourcing and COVID it is likely that the work will be extended. Provision for this has been made in the LTP planning.

The milestone of no longer maintaining physical files for building consents has been reached with all consents from January 2021 now being processed digitally. This is a step change towards a full online building consent system which is a project being delivered out of ICT.

Procurement

Procurement

Major work streams in procurement in December and January have included:

| Service/Good Being Procured | Detail | Procurement Commencement Date | Business Owner | Date Advertised on GETS | Expected End Date |
|------------------------------|--|---|----------------------|------------------------------------|--|
| Civic Centre project | To assist the Civic Centre team with requirements around procurement aspects | External procurement consultant engaged June 2018 | All of Council | 31 Oct 18 | Ongoing involvement through design & construction phases |
| Old Municipal Building | Providing Procurement advice on procurement and purchasing decisions | October 2019 | Community | To be determined | Ongoing |
| Dent St Developer | Finding a developer for Dent St site owned by Council | June 2020 | District Development | 23 June 2020 | Ongoing |
| Building Consent System | To assist in procuring a building consent system | September 2020 | Building Control | Quote requests issued Nov 2020 | March 2021 |
| Pensioner Unit Heating | Find a supplier and installer for heating units for pensioner housing | October 2020 | Community | December 2020 | June 2021 |
| Regulatory Services Contract | To go for market for a supplier to provide regulatory services | November 2020 | Health & Bylaws | To be determined | To be determined |
| Backstage Upgrade | To find a supplier to upgrade backstage facilities at Forum North | December 2020 | Venues and Events | Quote requests issued January 2021 | June 2021 |
| Fleet Management | To consider options for fleet management | January 2021 | Business Support | To be determined | To be determined |
| Travel | To consider options for travel policy and management | December 2020 | Business Support | Te be determined | To be determined |

General procurement support and advice continues to be available across the business and at the weekly Procurement Clinic.

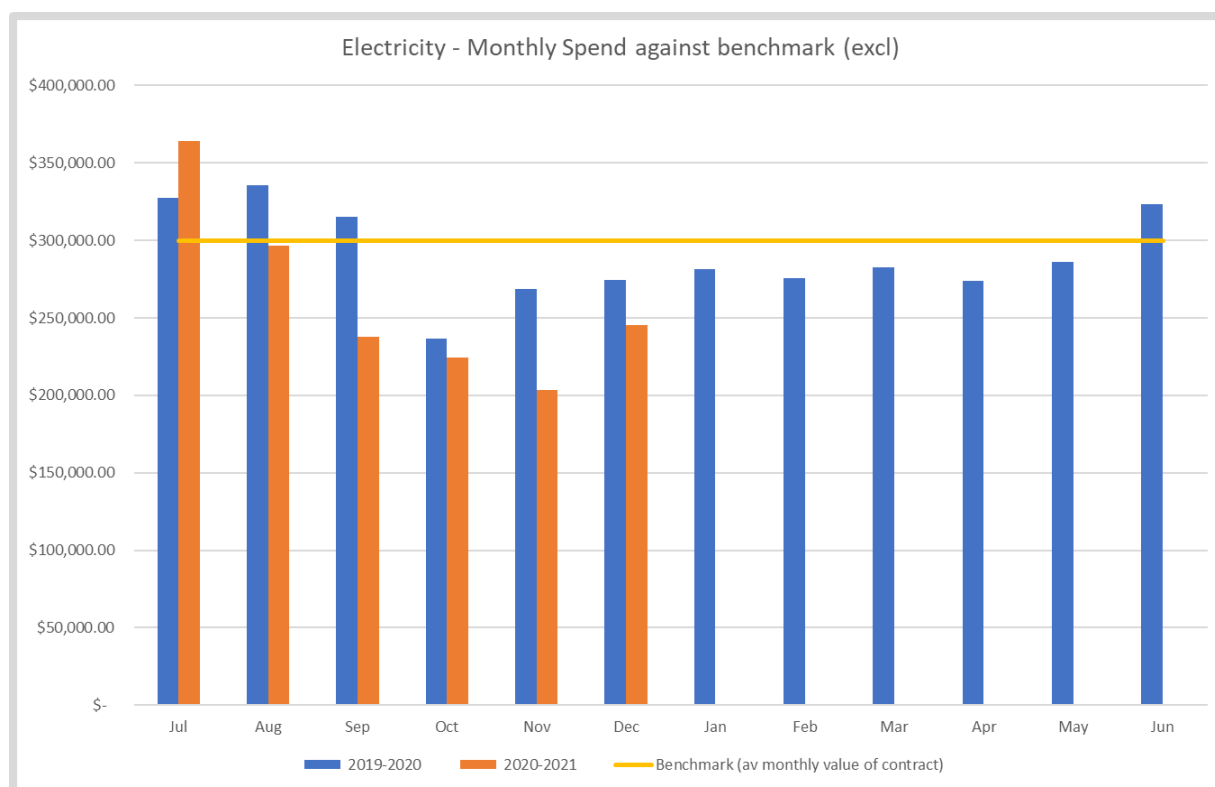
Staff are also supporting business capability sessions on aspects of procurement hosted by the Northland Chamber of Commerce and presented by Frank Aldridge of the Integral Group.

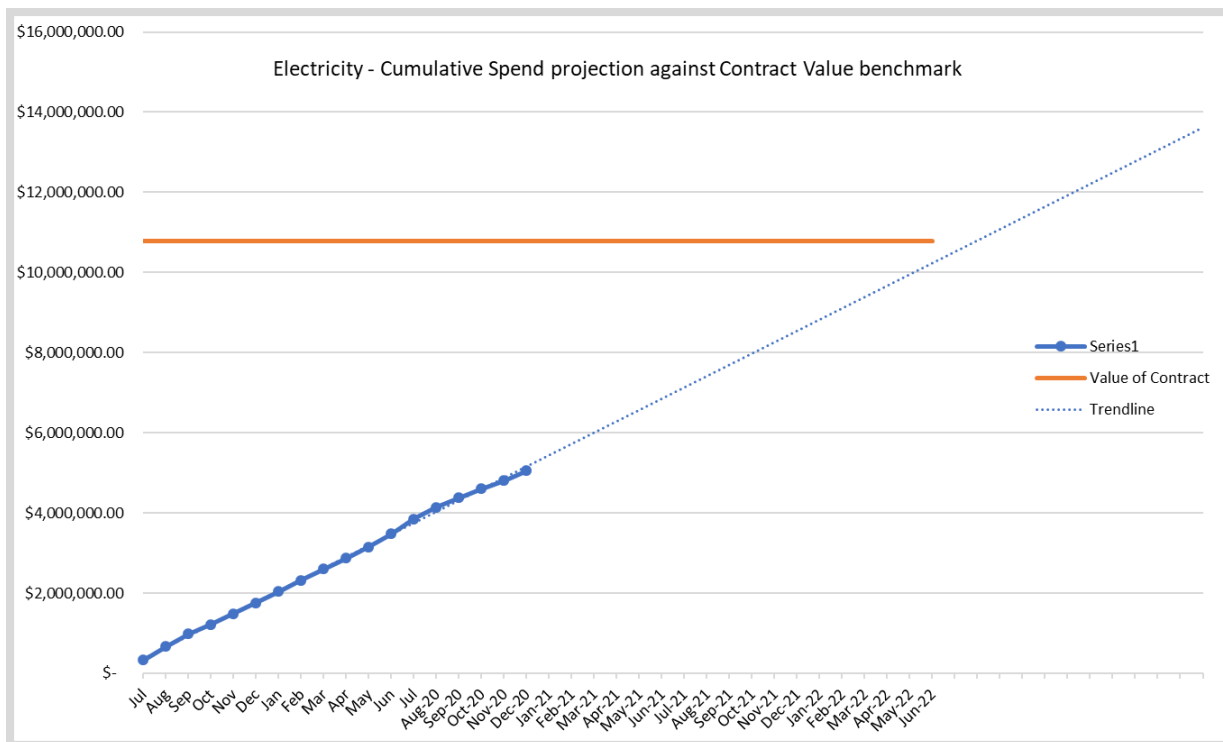
COVID-19 is starting to have an adverse impact on procurement as global supply chains are compromised due to manufacturing, logistical and transport disruption. Numerous suppliers are indicating lead times for material supply are extending (for several months in some cases) and prices are starting to escalate as a result. This is affecting both international and domestic supply, as many 'locally produced' items are actually assembled from parts that are sourced globally. There are likely to be significant cost and time impacts on all complex projects going forward.

Electricity

The Electricity Supply Contract with Genesis now has 18 months of supply information available. This data has been charted to monitor spend against expected cost. As shown in the charts below, projected spend is currently within expected cost over the three-year life of the contract, however the impact of the July flood event is easily seen in the July spike. It is important to bear in mind that there are a number of variables that influence spend that are not predictable and cannot be accurately accounted for in advance or controlled by Council. These influencing factors include:

- Line charge fluctuations.
- Rainfall, weather events and seasonal fluctuations whose effects include:
 - Pumping from rivers in dry years
 - Pumping for the Hikurangi Flood Management Scheme during flood events
 - Additional flow to WWTP in high rain events.
- Time of Use (TOU) charges
 - What time of day large plant is running at high capacity
 - TOU charges vary between years – prices trend down in Y2 and Y3 of the contract.





Facilities Management

Property and Chambers

After the Christmas break the Facilities Management (FM) Team relocated nearly 40 staff within Walton Plaza. This involved office moves and renewal of old desks. This has also prompted staff to downsize storage and associated furniture in preparation for moving to the new civic building.

The FM Team have also taken this opportunity to spring clean high use areas while staff have been away. Kitchens, bathrooms, garage and meeting rooms have been deep cleaned and carpets in some areas have been shampooed. In particular Council Chambers and Committee Rooms have been thoroughly cleaned, wooden surfaces polished, furniture and picture frames dusted.

This has also been a time to smarten up other areas of the business that the FM Team facilitate. This includes streamlining the stationery ordering process and rationalising stationery stock and managing the cleaning contract and milk supplies for all Council sites.

At the end of January, the FM Team, with the help of the H&S representatives, quickly mobilised to procure and distribute supplies and resources to Council sites after Northland had a community case of Covid 19. We are still monitoring the situation to ensure we are prepared if the situation changes.

Fleet

Initial market investigations have commenced into Fleet Management Systems. Our current fleet booking, management and reporting system has been in place since 2013 and, although satisfactory, it is now time to consider the new technologies and services that are available.

The aim will be to ensure that our fleet is managed in an efficient and cost effective way which will improve health and safety, simplify fleet maintenance and compliance and increase fleet productivity.

Business Support Projects (Updates, Delays or Deferrals)

| Project | Current Status | Comment |
|-----------------------------|-----------------------|---|
| Information Management Plan | Review and reset | The information management plan is undergoing a review and will be reset for the next two year ensuring alignment to business priorities. |

Communications

Digital Platform project

The new website has been successfully launched and the old website taken down. We are now working through a backlog of further improvements to the site and content over the coming year.

Media

- Camping in public places bylaw and freedom camping arrangements for summer
- House transporter damage to trees, signs
- Settlement of road lease at Pataua South
- Civic Centre building tree removal
- Proposed rates for 2021-22
- Sustainable Solvents clean up site visit
- Meeting notification times and elected member meeting attendance
- Cyclist hitting chain at Pohe Island
- Tree removal at Town Basin, plans for new park.

Communications projects

A summary of campaigns of note include:

| Campaign | Comment |
|-----------------------------------|---|
| Civic Centre Project | Ongoing internal and external communications. Piling works have begun, so more focus has been given to external/stakeholder communications at this point. |
| Advisory Groups recruitment | Delivering a marketing plan on social media and in print to recruit new members for our advisory groups. |
| Long Term Plan | Communications and engagement programme is on track. Website page is live, public meetings are booked and Family Fun Day promotion has begun. LTP video planning filming is underway. Consultation Document is being formatted in preparation for adoption. |
| Children's Day promotion | Graphics and promotion of this popular free community event |
| Wastewater Treatment Consultation | Completing video for social media and community open days for consultation scheduled for mid-February. |
| Rugby World Cup | Graphics and marketing planning for the Rugby World Cup (RWC). |

Social media

The summer so far has seen our FB channel performing well, with occasional smash-hit posts. Refer to Appendix 1 for details.

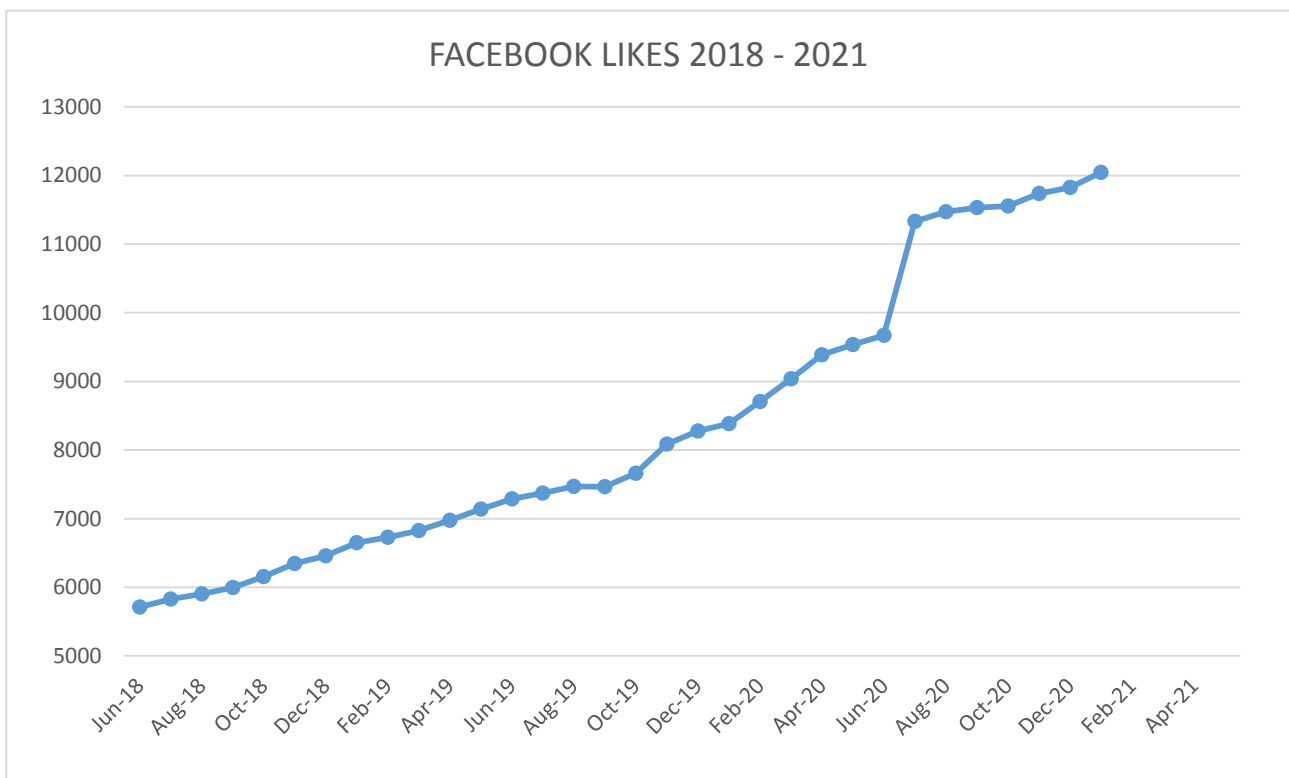
| Topic | Engagement |
|--|--|
| New town basin playground (video preview + opening gallery combined) | <ul style="list-style-type: none"> Video reached 46,000, a new record for organic (unpaid) reach. Gallery at opening reached 30,000 organically, which is nearly 3 times our followership. Combined ~15,000 engagement |
| Mill Road completed ahead of time | <ul style="list-style-type: none"> 20,000 reach 1,000 engagement (no call to action) |
| CBD temporary road disruption (2 posts: Hare Krishna festival + temporary FENZ closure) | <ul style="list-style-type: none"> 10,000 reach per post Low engagement but a lot of shares. |

Also notable: We were asked to run a post about freight trains returning and safety around tracks. It was an unexpected hit in the summer break reaching 34,000 people.

A RWC post performed well for the first time as we announced the match schedule – 10,000 reach.

Facebook audience/followers

A surprisingly good month for followership, with a few “hit” stories reaching out to new audiences.



Website

Top 5 pages visited (main website only)

| December 2020 | January 2021 |
|--|---|
| <ul style="list-style-type: none"> • Rates information | <ul style="list-style-type: none"> • Rubbish transfer stations |
| <ul style="list-style-type: none"> • GIS maps | <ul style="list-style-type: none"> • Rubbish – curbside collection |
| <ul style="list-style-type: none"> • Christmas parade event page (new) | <ul style="list-style-type: none"> • Freedom camping |
| <ul style="list-style-type: none"> • Operative District Plan | <ul style="list-style-type: none"> • Rates information |
| <ul style="list-style-type: none"> • Contact us | <ul style="list-style-type: none"> • Dog exercise areas |
| <p>Notable:</p> <p>Search function, services – payments, freedom camping, rubbish pages, Waipu Coastal Walk, report a problem.</p> | <p>Notable increases:</p> <ul style="list-style-type: none"> • Waipu Coastal Walk, Summer Essential Info (news roundup), noise control, Abbey Caves. |

People and Capability

Covid-19

We were encouraged by LGNZ to review our readiness for a change in alert levels late in 2020. We completed this review just prior to Christmas. As a result we were well prepared for the event in late January where the positive Covid case was found in Northland. We had a small number of staff who were asked to be tested and endured the long queues in the hot weather.

We follow the Ministry of Health advice and as a result the disruption to our business was minimal.

Employee Survey – Deep dive into Health and Safety





Ask Your Team, our Organisation Survey (Our Korero) providers, have been working with Equip to run a local government sector wide deep dive survey into health and safety practices in Councils across the country. The survey will provide us with an insight into how we are performing from an internal well-being perspective but also will help build a sector wide perspective.

We participated in the survey last year and the results have now been made available to us. We are working through the results which do give us some deeper insight into the factors influencing the health, safety and wellbeing of our employees.

We expect to share the results of the survey with elected members in the next Risk and Audit Committee.

Appendix 1

Social media (top performing posts)

| Post | Performance for your post | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--------------------------------|-----------------------|-------------------------|--------------------|-----------------------|------------------------|------------------|---------------------|-----------------------|------------------|---------------------|------------------------|------------------------|-----------------------|-------------------------|----------------------|-----------------------|-----------------------|---------------------------|---------------------------|--------------------------------|--------------------|-------------------------|-------------------------|----------------------|
| <p>Whangarei District Council is with Beck Deoriginal. ...</p> <p>Published by Craig Neilson [?] · ★ Favourites · 4d · 🌐</p> <p>The gates are down, and the new Town Basin Playground is OPEN! These were the lucky first adventurers to explore it.</p> <p>The popular climbing spiderweb frame remains and is joined by a two-storey slide tower, built-in trampolines, a climbing circuit, new swings and lots more.</p>     | <p>30,512 People Reached</p> <p>1,505 Reactions, comments & shares ⓘ</p> <table border="1"> <tr> <td>839 Like</td> <td>402 On post</td> <td>437 On shares</td> </tr> <tr> <td>175 Love</td> <td>104 On post</td> <td>71 On shares</td> </tr> <tr> <td>1 Haha</td> <td>1 On post</td> <td>0 On shares</td> </tr> <tr> <td>16 Wow</td> <td>5 On post</td> <td>11 On shares</td> </tr> <tr> <td>346 Comments</td> <td>176 On Post</td> <td>170 On Shares</td> </tr> <tr> <td>130 Shares</td> <td>122 On Post</td> <td>8 On Shares</td> </tr> </table> <p>5,154 Post Clicks</p> <table border="1"> <tr> <td>959 Photo views</td> <td>0 Link clicks ⓘ</td> <td>4,195 Other Clicks ⓘ</td> </tr> </table> <p>NEGATIVE FEEDBACK</p> <table border="1"> <tr> <td>4 Hide post</td> <td>0 Hide all posts</td> </tr> <tr> <td>0 Report as spam</td> <td>0 Unlike Page</td> </tr> </table> <p>Reported stats may be delayed from what appears on posts</p> | 839 Like | 402 On post | 437 On shares | 175 Love | 104 On post | 71 On shares | 1 Haha | 1 On post | 0 On shares | 16 Wow | 5 On post | 11 On shares | 346 Comments | 176 On Post | 170 On Shares | 130 Shares | 122 On Post | 8 On Shares | 959 Photo views | 0 Link clicks ⓘ | 4,195 Other Clicks ⓘ | 4 Hide post | 0 Hide all posts | 0 Report as spam | 0 Unlike Page |
| 839 Like | 402 On post | 437 On shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 175 Love | 104 On post | 71 On shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 Haha | 1 On post | 0 On shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 16 Wow | 5 On post | 11 On shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 346 Comments | 176 On Post | 170 On Shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 130 Shares | 122 On Post | 8 On Shares | | | | | | | | | | | | | | | | | | | | | | | | |
| 959 Photo views | 0 Link clicks ⓘ | 4,195 Other Clicks ⓘ | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 Hide post | 0 Hide all posts | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0 Report as spam | 0 Unlike Page | | | | | | | | | | | | | | | | | | | | | | | | | |

Post


Whangarei District Council: New Town Basin Playground preview...

UPDATE: Open now. PREVIOUSLY: The new Town Basin Playground is SO CLOSE now - and with approval from the official playground safety inspector we even let one of our staff take a 3.5 minute break to play on it 🏠. This could be you when the playground...

3:30 · Uploaded on 21/01/2021 · Owned · Appears once · View permalink · Copy video ID

Total video performance

| | |
|----------------------------|--------|
| 🕒 Minutes viewed | 22,663 |
| 🎥 1-minute video views | 5,663 |
| 🎥 10-second video views | 18,805 |
| 🎥 3-second video views | 30,708 |
| 📄 Average video watch time | 0:21 |
| 📊 Audience retention | |
| 👤 Audience and engagement | |


Whangarei District Council

Published by Hilary Malcolm [?] · ★ Favourites · 3d · 🌐

Mill Road rebuild is finished ahead of schedule. We would like to thank drivers their patience during this time.


Performance for your post

20,656 People Reached

364 Reactions, comments & shares

| | | |
|-----------------------|-----------------------|-----------------------|
| 293 👍 Like | 291 On post | 2 On shares |
| 4 ❤️ Love | 4 On post | 0 On shares |
| 1 😂 Haha | 1 On post | 0 On shares |
| 4 😮 Wow | 4 On post | 0 On shares |
| 1 😡 Angry | 1 On post | 0 On shares |
| 52 Comments | 48 On Post | 4 On Shares |
| 9 Shares | 9 On Post | 0 On Shares |

1,313 Post Clicks

| | | |
|--------------------------|-------------------------|------------------------------|
| 44 Photo views | 0 Link clicks | 1,269 Other Clicks |
|--------------------------|-------------------------|------------------------------|

NEGATIVE FEEDBACK

| | |
|-------------------------|-------------------------|
| 5 Hide post | 1 Hide all posts |
| 0 Report as spam | 0 Unlike Page |

Reported stats may be delayed from what appears on posts

5.3 Operational Report – Strategy, Planning and Development – February 2021

Meeting: Strategy, Planning and Development
Date of meeting: 18 February 2021
Reporting officer: Alison Geddes – General Manager, Planning & Development
 Dominic Kula – General Manager, Strategy & Democracy

1 Purpose

To provide a brief overview of work across services that the Strategy, Planning and Development Committee is responsible for.

2 Recommendation

That the Strategy, Planning and Development Committee notes the Strategy, Planning and Development Operational report for December 2020 / January 2021

3 Background

The purpose of the Strategy, Planning and Development Committee is to update Councillors on operational matters relating to the Strategy, Planning and Development departments.

This report provides a brief overview of some of the operational highlights for December 2020 / January 2021 and provides some further comment on future planned activities.

4 Significance and engagement

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website, Council News, Facebook or any other channel you currently use to inform customers – please also advise Communications.

5 Attachment

Operational Report – Strategy, Planning and Development – February 2021

February 2021 Operational Report

Strategy, Planning and Development Operational Report (reporting on December 2020 / January 2021)

Procurement update - Summary of Contracts Approved Under Delegated Authority

No contracts were awarded under Chief Executive or General Manager authority over the period December 2020 to January 2021.

Economic Development

Work continues meeting with various private sector businesses involved in the construction supply chain to gain a better understanding of what their experiences are when dealing with Council. In November last year staff approached 25 individuals involved in various parts the construction supply chain both residential/commercial, high-end and volume build, planners, engineers, architects, builders and developers. An invitation was extended to meet and discuss their experiences with Council. The kind of information sought was the size, value and nature of the projects they were involved in, the regularity of the contacts and what parts of Council they touch on. Also, how these interactions compare with other territorial authorities they work with.

This was intended to be the first tranche of interviews, the purpose of which to gain a better understanding and test the realities of the sectors interactions with Council. Due to the time of the year leading into the holiday season it was expected that the uptake would be low and potentially several contacts would need to be made before a level of engagement was achieved that would allow strong conclusions to be formed. To date meetings have taken place with 10 of the invited parties and follow ups are being made with those who have not responded to the email and telephone requests. Furthermore, staff are attending the February meetings of certified builders to draw their feedback.

Although it is too early to draw any firm conclusions there are some consistent themes. General feedback is favourable, with many positive comments relating to the Building Control Department. Less positive themes to emerge relate to a perception of “the goal posts being shifted” mid project, poor communications, a lack of urgency and a doubt over the efficacy of pre-application meetings.

While there has been no strong or compelling call for independent complaint resolution, although early in the information gathering process there is likely to be some value in setting a project value level where projects on completion, are reviewed by staff and the client’s feedback sought to ensure minor continued improvement to systems and processes can be made.

At the same time prior to Christmas, in partnership with the Chamber of Commerce undertook some workshops with the objective of helping improve the capability of local businesses to better enable them to take part in future Council construction projects.

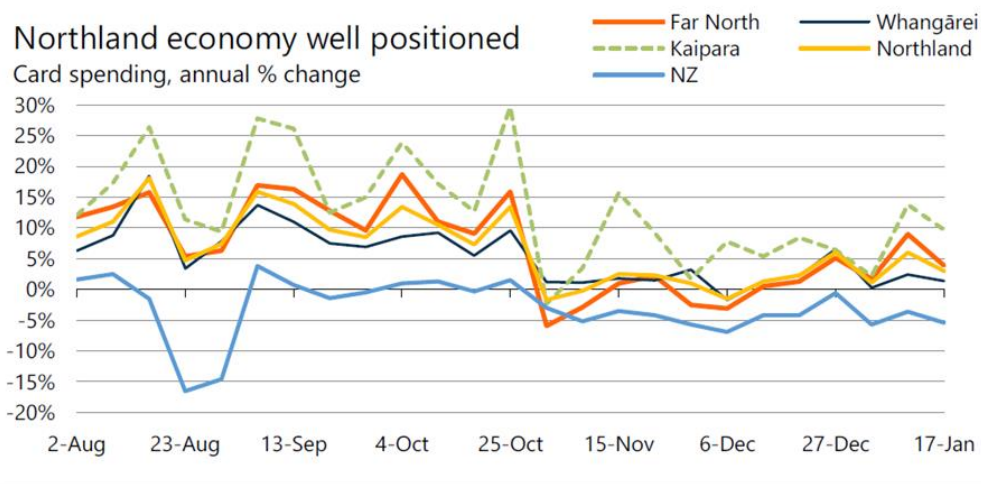
With staff on leave over the holiday period, those limited resources that were available have been focussed on progressing various commercial property related projects currently underway and continuing work on two key COVID-19 related recovery projects.

The first of these projects has engaged the Chamber of Commerce to undertake a detailed analysis of the nature of Whangarei businesses, their size, their locations, the nature of their businesses and their growth potential. During the early stages of the 2020 COVID-19 response it became apparent that this information was not available and hindered timely decision making. Better understanding of the nature of our districts businesses at a more granular level will enable better decision making and future policy setting.

The second is two separate but interconnected bodies of work exploring pathways and barriers to inner-city residential development that will enable private sector developers and property owners to better understand the business case for, and the key interactions required for transitioning parts of existing inner-city commercial property to incorporate residential activity. Requests for quotes have gone out to a number of providers to undertake this work with the intention to commence the project before the end of February 2021.

At the time of writing this report Council are awaiting to receive from Infometrics, the 2020 Regional Economic Profile – due at the end of January 2021. This report will provide an indication of the actual impact on the Districts economy resulting from the disruptions in commercial activity experienced in the first two quarters of 2020. As requested at the December Committee meeting, the link to this report has been circulated to elected members.

Interim information received shows Northland has the highest annual increase in spending across New Zealand for the month of January 2021 with regional spending in January 2021 up 3.4%pa on average from a year earlier. However, the impact of the recent case of COVID-19 in Northland towards the end of the month of January 2021 is yet to be determined.

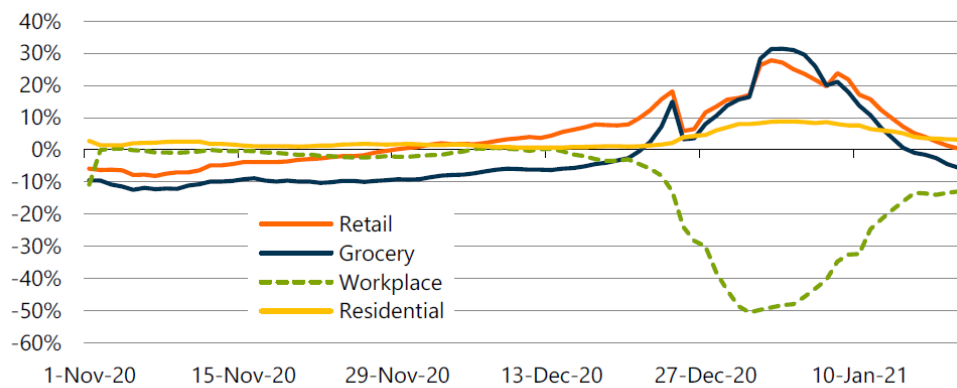


District Promotions

Google mobility data shows that Northlanders have been sticking around home and are still on holiday – compared to the Google baseline period of 3 January 2021 – 6 February 2021. Not as many people have returned to work yet, with levels sitting 13% lower for workplace activity over the last 7 days (to 19 January 2021) and activity in residential areas is up 3% on average over the last 7 days

Still on holiday in Northland

Google mobility, % change from baseline, Northland, 7-day average



Guest Nights

| Guest Nights, November, 2020 | | | | |
|------------------------------|---------------|---------------|---------------|----------------|
| | Whangārei | Far North | Kaipara | Northland |
| Domestic | 30,000 | 66,800 | 12,000 | 108,800 |
| International | 1,000 | 3,300 | 592 | 4,900 |
| TOTAL | 31,100 | 70,100 | 12,592 | 113,700 |

As expected, Guest Nights are down and at the time of writing this report, we are awaiting release of December 2020 and January 2021 results.

| Source | YEAR | WHANGĀREI | FAR NORTH | KAIPARA | NORTHLAND |
|------------------------------|------|-----------|-----------|---------|-----------|
| Accommodation Survey* | 2017 | 35,049 | 107,022 | 8,676 | 150,746 |
| Accommodation Survey* | 2018 | 42,727 | 105,109 | 6,694 | 154,530 |
| Not available | 2019 | - | - | - | - |
| Accommodation Data Programme | 2020 | 31,100 | 70,100 | 12,592 | 113,792 |
| | | -27% | -33% | 88% | -26% |

*Note that the Accommodation Survey did not provide a domestic to international breakdown at district level

Domestic Insights

Tourism New Zealand undertook qualitative research across Aotearoa in December 2020 with nine focus groups and 26 tourism operators interviewed. Insights were released in January 2021.

Key findings include:

- Our domestic audience is looking for similar things that our international audience values including authentic cultural and community experiences
- The need to explore remains and with borders closed, kiwis are now looking within New Zealand for new places that may have previously been taken for granted
- Kiwis are returning to and rediscovering places with sentimental and nostalgic memories
- Most popular activities/experiences include walking, cycling, food and events. Authentic cultural experiences were noted as an opportunity as was eco-tourism

New Zealanders recognise our tourism sector has suffered and one way to support is to buy these products and services. However, barriers also include feedback that domestic product is 'too expensive and too touristy'. Tourism NZ is planning more research to better understand pricing for the domestic audience.

As above, two themes came through strongly as opportunities for the whole country, is to deepen experiences for visitors through authentic Māori culture and better storytelling, and for Whangārei specifically, (in the slide below) more events and festivals to provide the 'thrill' component for the domestic visitor. Deepening experiences also has the beneficial effect of visitors placing a higher value on them and basically being prepared to pay more.

Note that the comment in the slide regarding resistance to freedom campers relates more to New Plymouth than Whangārei district.

Plan for the future: Whangarei and New Plymouth

Key

Working well

Working OK

Needs work

What's happening today?

Both naturally gifted areas of New Zealand that also boast of a rich history and culture (including greater Māori presence), but with locals who feel like they'd been forgotten by the international visitor.

Their unique challenges



Maintaining balance

Locals appreciate their relative distance from tourism, but are conflicted by desire for economic development.



Keeping locals engaged

A resistance to freedom campers came through strongly.



Investment

Desire for funding to get a number of big ideas for tourism development underway.

MEETING THE DOMESTIC NEEDS

REFRESH

Sand, surf and sun

Both are blessed with some of the best beaches in New Zealand, but this is seasonal, and weather dependent. There is a desire to see family friendly indoor activities as well.

PLAY

Boost live events, with emphasis on Māori music

There is opportunity to host more live events, with a particular focus on Māori music, starting with promoting the artists and their music on radio.

THRILL

Introducing more festivals

Encouraging more festivals that fuel the economy as well as a level of excitement for locals and domestic travellers alike. A successful example of this is Americana for New Plymouth.

KNOWLEDGE

Opportunity to bring the unique rich and draw history to life

For Taranaki especially around Parihaka and the land wars. A compelling topic, but still fresh for many... it being their grandparents who were directly affected by it.

RULES FOR INTERNATIONAL TOURISM IN ORDER OF IMPORTANCE

Rule #3: Show them our ways

Hero-ing the Māori Culture

An awareness that Māori culture is highly intriguing to international visitors and can help their experience stand apart from other countries - Think Ta moko, Māori music, cultural tours etc.

Rule #2: Change the narrative

Authentic Story-telling

Effectively telling the true story of the regions that will enable visitors to experience authenticity and feel a connection to us and our land - THINK Invasion of Parihaka for Taranaki.

Rule #1: Quality, not quantity

Encouraging visitors to go beyond the free experiences

Use free experiences like Māori Rock Carvings and the walks to create value, but actively focus on targeting smaller numbers and higher spend by creating luxury experiences.

Rule #4: Walk the talk

Protecting the land

Ensuring that we do not chop down or impact our forests for building infrastructure when tourism picks up. Also educating others to respect our land by leading with example.

SO: Being away from the tourism limelight has resulted in many stories left untold and places remaining untouched in both these regions, so there is immense potential to deliver authentic and unique experiences

Source: One Picture October 2020 'Unlocking Future Tourism' Qualitative Research - conducted by Tourism New Zealand



**100% PURE
NEW ZEALAND**

Caution was also expressed about the eventual return of international visitors, recognising we need to protect and care for our people and places; a desire to find a balance that may not have been there before.

Here is the insights video presentation; [Unlocking the Future of Tourism: Views of New Zealanders](https://www.tourismnewzealand.com/tools-for-your-business/webinar-recordings/unlocking-the-future-of-tourism-views-of-new-zealanders/). <https://www.tourismnewzealand.com/tools-for-your-business/webinar-recordings/unlocking-the-future-of-tourism-views-of-new-zealanders/>

Commercial Property

The good weather and holiday period have seen a vibrant and well supported Town Basin environment over the Christmas/New Year period. Buskers have been present creating a relaxed and very positive environment, with the developing Hundertwasser construction a new talking point for both locals and visitors.

LOCO, the new South American themed cocktail and tapas bar is being well supported and appears to be complimentary to existing hospitality and retail businesses. The gap between cafes closing in the afternoon and evening patrons visiting the Town Basin has reduced.

Rent reviews and renewals continue as per the schedule. ‘

Parihaka Transmission Mast

Vehicle access to the summit remains restricted. Restrictions may be considered when further engineering work commences in March 2021.

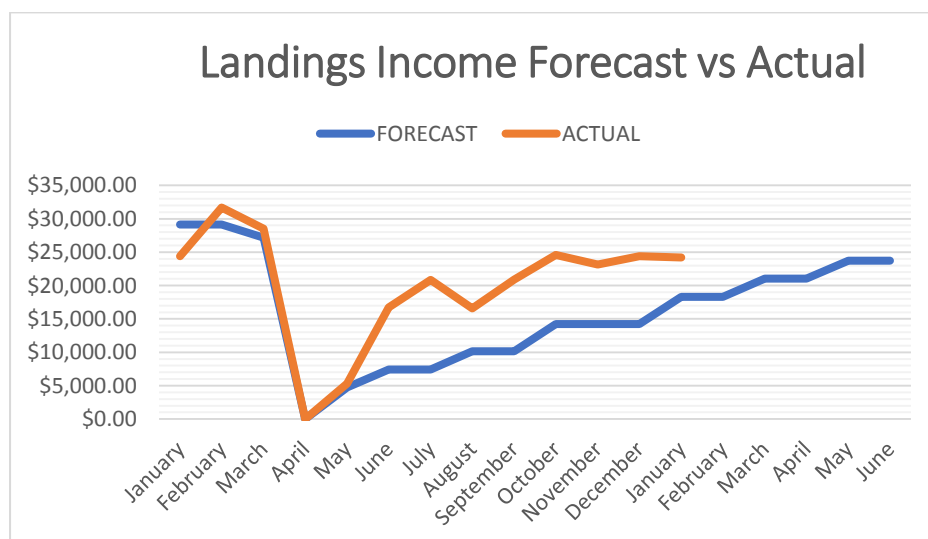
Whananaki Baches

All but one bach owner has now been offered a new licence to occupy. Work has continued with the remaining tenants to address compliance issues that are required to be satisfied.

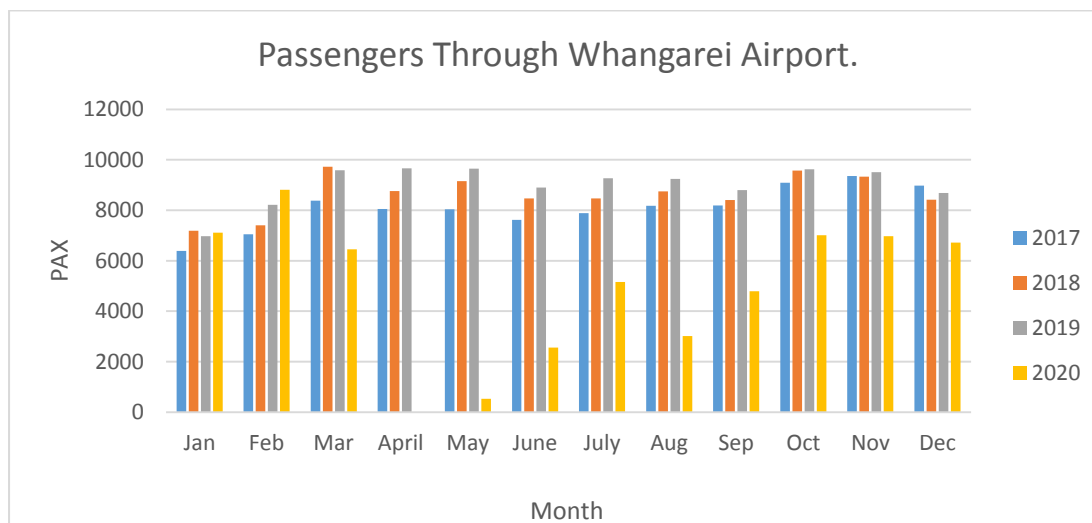
Airport

Airport activity continues to exceed expectations. Although traditionally the Christmas/New Year period experiences a lull, only minor changes to the Air NZ schedule have been made.

The annual draft Statement of Intent and six monthly financial forecast reports required under legislation have been completed for Council as the Airport Authority to review and adopt. The financial recovery from the COVID-19 budget is very positive. Although airport reserves will still be required to offset losses, a significant gain on revenue and continued savings has seen a more positive recovery. Air NZ flights are expected to return to pre COVID-19 schedules in early February 2021.



Passenger Numbers:



Operations:

Two helicopter noise issues have been reported by locals. Both Council staff, and airport management have met with both residents and helicopter operators to discuss the issues and relevant solutions.

Safety goals and objectives:

Goals for the 2021 year are focussed on improving communication, building competencies, and monitoring continuous improvement. Throughout December 2020 and January 2021, the airport has continued to work towards these goals by producing the 2nd edition of the Airport newsletter, chairing and attending all industry meetings, continuing with the NZQA training, and completing analysis of performance at regular intervals.

There has been no significant hazards or risk events throughout December 2020 and January 2021. Lighting maintenance is ongoing with some age related issues requiring attention.

Emergency Exercise: The Airport must hold an emergency exercise each year. This year we will have a desktop exercise to discuss the resources required, communication and actions needed for the scenario of an Air NZ Q300 incident in the Whangarei harbour. This will be held on 24 February 2021.

District Plan

Urban and Services Plan Change Package

Staff continue to work solidly on the Urban and Services appeals, having completed several formal Environment Court mediations and numerous informal discussions with parties.

The Environment Court has granted seven consent orders:

- ENV-2020-AKL-124 Northpower Limited (appeal settled in full)
- ENV-2020-AKL -126 The New Zealand Refining Company Limited (appeal settled in part)
- ENV-2020-AKL-108 Goal Holdings Limited (appeal settled in full)
- ENV-2020-AKL-130 The Department of Corrections (appeal settled in full)
- ENV-2020-AKL-120 JB & RM Keith Trustees Limited and Victory Square Holdings Limited (appeal settled in full)
- ENV-2020-AKL-119 JB & RM Keith Trustees Limited (appeal settled in full)
- ENV-2020-AKL-133 Kāinga Ora (appeal settled in part)

Two appeals have been withdrawn in full:

- ENV-2020-AKL-113 Northland District Health Board
- ENV-2020-AKL-122 Southpark Corporation Limited

Council has committed to continue working with parties prior to formal mediation with the next Court reporting date of 26 March 2021.

PC150 Private Plan Change Application

The closing date for submissions on the private plan change was 10 December 2020. 28 submissions were received.

The Summary of Submissions was notified on 20 January 2021 with the period for further submissions closing on 12 February 2021.

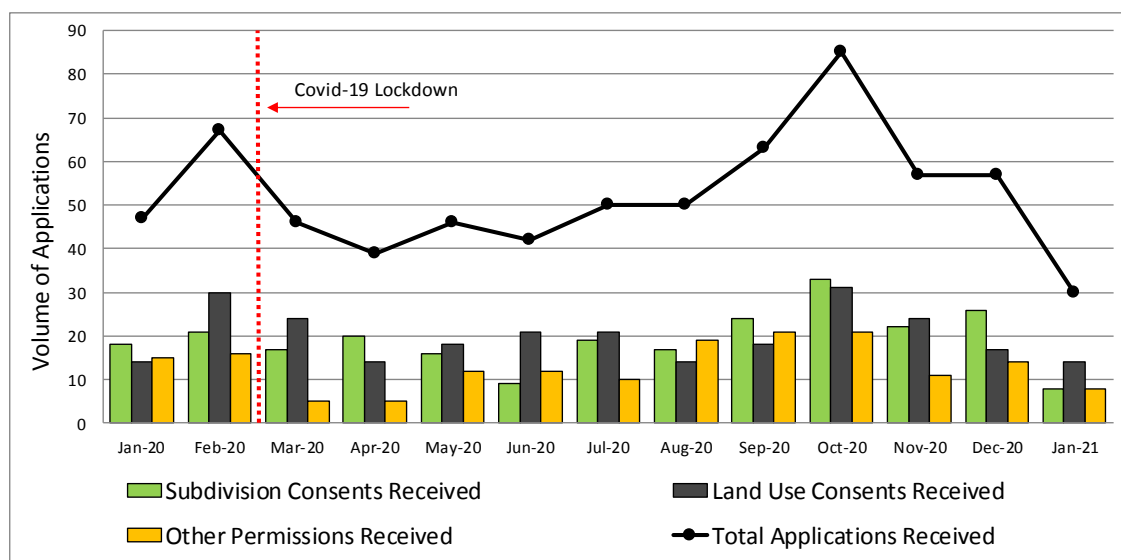
Natural Hazards Plan Changes

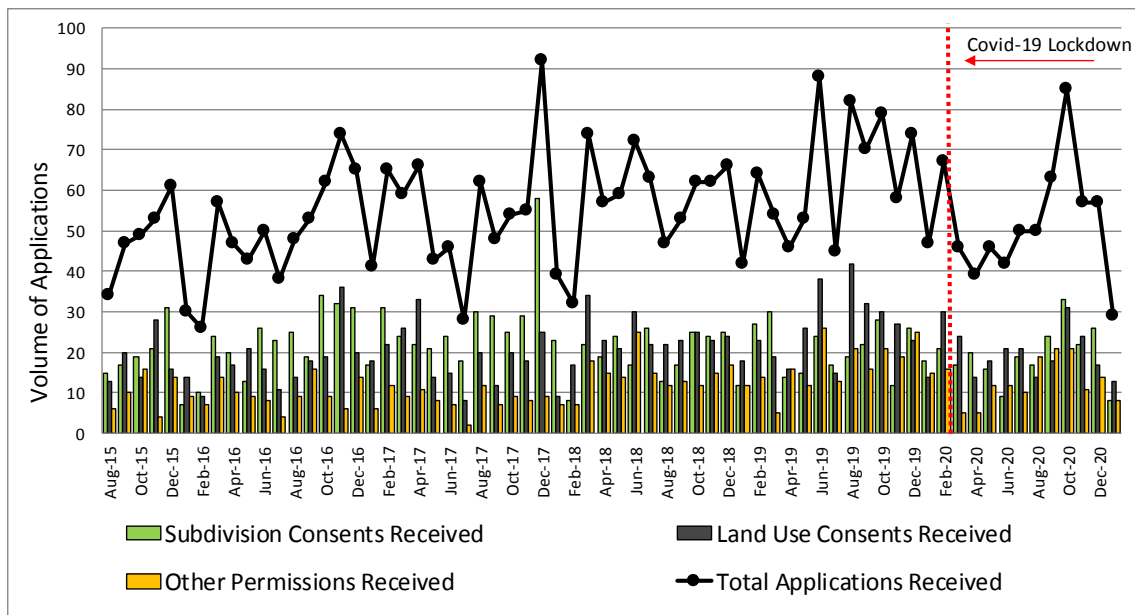
Staff have met with Northland Regional Council to discuss the results of the updating coastal hazard mapping. Regional Council staff scheduled to present the results to Whangarei District Council in February 2021.

Resource Consents

Resource Consent Processing

The end of 2020 brought a steady number of applications prior to the normal drop-off over the Christmas – New Year period. The number of applications was down on the same period (Dec-Jan) as last year. Over this period 86 applications were received compared to 121 for the same period last year. 26 subdivision, 17 land-use and 14 other permission applications were received in December 2020. January 2021 had 8 subdivision, 14 land-use and 8 other permission applications received.





Resource Consents

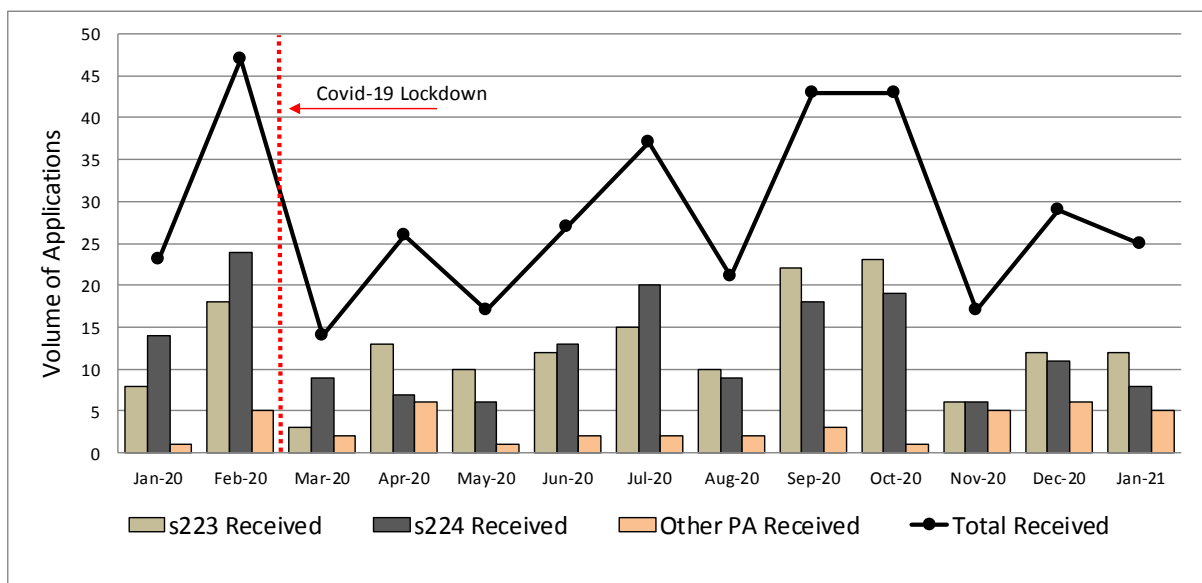
Significant applications received during the December 2020/January 2021 period include a 30 dog/30 cat kennel/cattery at Waipu, an 8 lot environmental benefit subdivision, (also at Waipu) and an 11 lot residential subdivision at Ruakaka. The resource consent for the new Civic Centre was issued (decision made by Commissioner) in December 2020.

Hearings

No hearings were held in December 2020 or January 2021. The Commissioner's decision on a 3 lot subdivision at Waikaraka (heard in November 2020) was made in January 2021, declining the proposal.

Post-Approval

Volumes of post-approval applications have stayed steady over the December 2020 - January 2021 period. There were 24 survey plan approvals, 19 completion certificates and 11 other post-approval permissions over this period.



Appeals

An appeal has been received against the decision to grant resource consent to the Resource Recover Centre at Pataua South Road. Mediation is likely to be scheduled by the Environment Court.

Building Department – 4 January – 29 January 2021

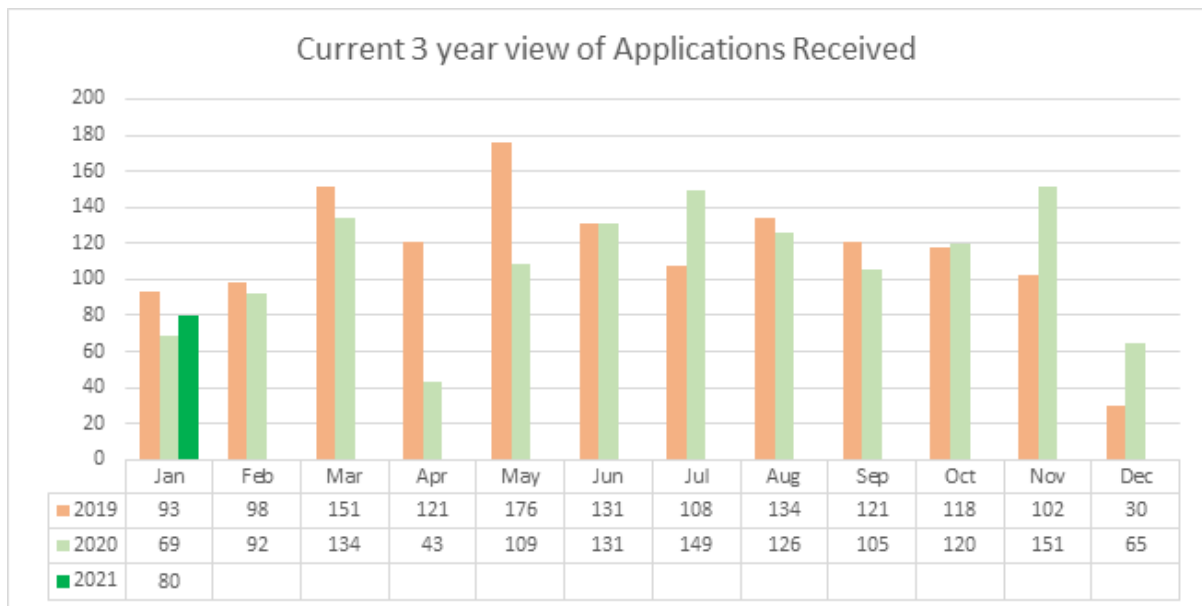
Building Consent Performance Indicators

| Performance Indicators | | | | |
|------------------------------------|---------|-------------------|---------|----------------------|
| Function | Measure | Indicators | January | Year to date average |
| Building consents granted | 20 days | Annual plan (96%) | 94% | 96% |
| Building consents issued | 3 days | Internal KPI | 78% | 76% |
| Inspections completed within 48hrs | 48hrs | Annual plan (95%) | 99% | 99% |
| LIMs | 7 days | Internal KPI | 62% | 51% |
| LIMs | 10 days | Statutory | 100% | 99% |
| PIMs | 5 days | Internal KPI | 45% | 67% |
| PIMs | 20 days | Statutory | 80% | 82% |

Building consents granted are close to meeting the statutory requirement for 20days and the annual plan KPI of 96% for the month of January. The internal measure of issuing is under pressure; however, this does not prevent inspections being booked for this work. Inspections are being delivered within the annual plan requirement of 95% and this area is seeing an increase in demand. The LIM and PIM area is under pressure with a strong application demand and activity the statutory requirement is being closely monitored.

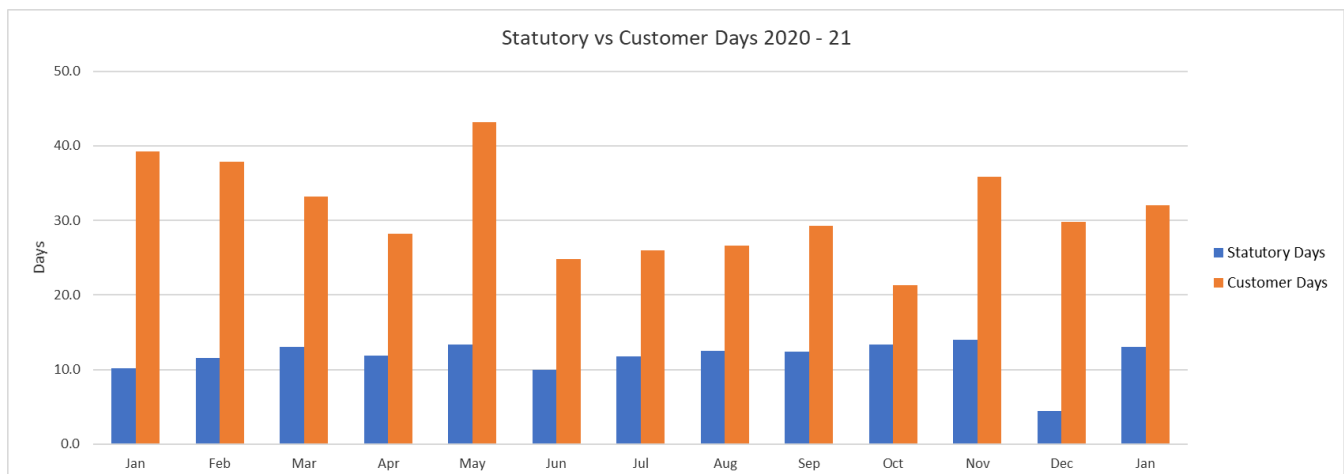
Three Year View of Building Consents Received

The trend is still upwards for building consent applications and the team are at capacity. Again, national trends are being reflected in that many Regional, City and District Authorities are experiencing strong demand for consents. December and January are usually light months for consents and the statutory clock is suspended to reflect no work days of council – a legislative allowance. December 2020 and January 2021 are slightly up for demand when comparing against previous years, particularly 2019 – 20, continuing the post COVID-19 trend



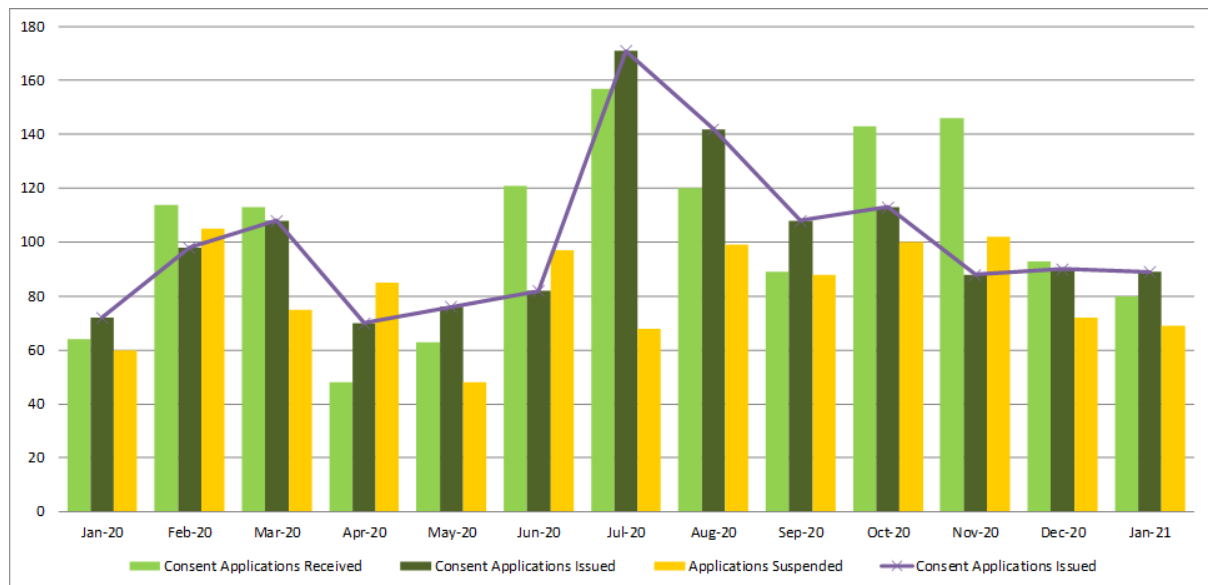
Statutory days versus customer days

As may be expected with the incoming demand pushing capacity constraints processing times increase. This can also be a feature of application quality and the need to ask for more information during processing and the delay in receiving. Customer time frames would be expected to increase over the December through January time period due to council holidays and suspension of the statutory clock – Customer Days only take weekends into account, not public holidays.



Building Consents Received, Issued and Suspended

The building consent activity has seen an increase for this period compared to the same month last year (22% increase). This suggests that there is continued confidence in the residential sector which also aligns with the high LIM activity.



Health and Bylaws

Environmental Health

Since 2 December 2020, this year's annual Recreational Bathing Water Monitoring programme has returned no red contamination results for any of our 28 sites monitored, reflecting very little rainfall in the district.

Health Act nuisance complaints (CRM's) remained high during December 2020 and January 2021, which is normal during the busy summer season and were managed as business-as-usual.

Bylaws

Except for the busy Christmas/New Year period, demand for camping in public spaces is well down from last year. As a result, the monitoring and enforcement programme has been amended and dialled back, to still give sufficient coverage and a full response to CRM's, but will also bring about cost savings.

The MBIE sponsored Freedom Camping Ambassador programme will continue to operate as planned.

Armourguard Enforcement Statistics – these are now reported quarterly and compared with the same quarter last year.

| TOTAL NUMBER OF COMPLAINTS | 01 OCT 2020 – 31 DEC 2020 | 01 OCT 2019 – 31 DEC 2019 |
|----------------------------|---------------------------|---------------------------|
| GENERAL BYLAW MATTERS | 190 | 172 |
| NOISE COMPLAINTS | 1160 | 1128 |
| NOISE DIRECTIVES ISSUED | 216 | 156 |
| DOGS COMPLAINTS | | |
| - WANDERING | 380 | 368 |
| - BARKING | 339 | 285 |
| - RUSHING | 50 | 32 |
| - ATTACKS | 63 | 77 |
| STOCK CONTROL | 76 | 76 |
| PARKING | 940 | 1033 |

Strategy

2021 - 2031 Long Term Plan

Draft LTP documentation was approved by Council on 17 December 2020. These documents have been provided to Audit New Zealand. Staff are supporting the Audit process, which will include clearance for our Consultation Document.

The Consultation Document is needed to support our LTP consultation. A draft CD was provided through the 17 December 2020 Council Meeting. A final version will be presented to Council at the February 2021 Council Meeting with consultation starting on 3 March 2021.

A consultation programme has been developed with events organised and being promoted on our website:

<https://www.wdc.govt.nz/News-and-events/Have-your-say/LTP-consultation-2021-2031>

Climate Change

Two key updates will be provided to Council in February 2021. On 16 February 2021 a Workshop will be held on the Coastal Hazard Maps for Climate Change Adaptation. On the 18 February 2021 an update will be provided on the broader Climate Change work programme including progress made on the Sustainability Strategy and the Draft Climate Action Plan.

Bylaw review programme

Hearings on the Camping in Public Places Bylaw were held on 8 December 2020. A review of the submissions and options for the bylaw will be considered at a briefing on 9 February 2021 followed by formal Deliberations on 16 February 2021.

Placemaking Programme

An update of the programme and the feedback received was provided at a briefing on 16 December 2020. Staff are continuing to develop a first draft of the plans based on the feedback provided. Targeted discussions are being planned with hapū and key stakeholders are still underway.

Whangarei District Growth Strategy

The 7 week consultation period concluded on 4 December 2020. Approximately 500 items of feedback have been received. A successful hui was held with hapu on 19 October 2020, staff are currently working through options of following this up with further hui and engagement through Te Huinga.

A briefing will be held on 18 February 2021 to run the feedback received and the potential changes to the Draft Strategy.

National Policy Statement on Urban Development

As part of the implementation of the District Growth Strategy, staff are working on meeting our obligations under the National Policy Statement on Urban Development (NPS-UD). The first requirement we need to meet is a refresh of the 2018 Housing and Business Land Demand and Capacity Assessment. This will need to be completed by July 2021. Further details will be provided at the briefing on 18 February 2021.

Housing

Ministry of Social Development, Kāinga Ora and Te Puni Kōkiri have convened a housing working group to assist and co-ordinate the delivery of public housing. In December 2020, WDC were invited to provide an update on our planning and strategy work to this group. It is expected that discussions will continue into 2021. Staff will provide updates to Council on the progress of the group.

Kaipara Moana

A meeting of the Kaipara Moana Working Party was held on 11 December 2020. At the meeting discussions took place between Council, Kaipara Uri and Te Arawhiti on the latest draft deed settlement. Technical discussions are ongoing.

A key issue for Councils in the ongoing discussions has been crown funding for co-governance. On 18 December 2020 correspondence was received from Hon Andrew Little, Minister for Treaty of Waitangi Negotiations. This letter included an increased contribution to these costs. Staff are working through the crown contribution and will seek direction from Council and the Kaipara Moana Working Party. The next working party meeting is planned for April 2021.

Māori Relationships

Whakatau for Librarian

A Whakatau was held for our new Librarian. A new cultural experience for the library whanau who were very meticulous to ensure protocols are adhered to and acknowledged.

Mauri Laying for Civic Centre

A Hui was held with Te Parawhau hapū kaumatua to discuss the next process with regards to laying the Mauri which is a significant cultural component which is part of the holistic kaupapa Māori for the Civic Centre

Rugby World Cup 2021 (RWC2021) – Planning Hui

The wider working party for this significant event met to set plans for quarter one of 2021.

Mana Whakahono a Rohe Signing with Patuharakeke

Working with Northland Regional Council Māori staff this collaborative approach for our organisations was a kaupapa well received by the local hapū and respectfully acknowledged by our Mayor and NRC Chair Penny Smart. The presence of Councillors and staff in support of this kaupapa was well received.

Democracy & Assurance

Democracy Team

The Democracy team supported two Council and five Committee meetings, four Council Briefings and three Council Workshops in December 2020. In addition, forty-three alcohol licence applications were put through to the District Licensing Committee for consideration and processing.

Assurance Team

The assurance team continues to work closely with our insurance brokers on our two large claims. The claim relating to the old municipal building has been subject to unforeseen delays however it is now moving forward, and updates will be provided when available. The claim relating to damage caused by the flood is being closely managed by the assurance team to ensure that appropriate costs are submitted to the loss adjustors for the claim.

Business Continuity plans, including a strategic leadership team checklist were updated ahead of the summer break, we are fortunate that they did not need to be activated.

LGOIMA Requests

Council received 20 requests for official information during December 2020, putting the total number of requests received for the year 2020 at 235. This is a similar amount to the requests received in 2019 (total 232), however it is worth noting that we saw a downturn in requests during the COVID 19 lockdown period. Overall, the number of requests appears to be increasing.

At the time of writing there have been 14 requests in January 2021. Topics of requests for the December-January period included the location of designated no parking zones, the location of public toilets, parking infringements, noise complaints, dog complaints, contracts and procurement, civic centre development, council meetings, engagement with Maori, resource consents, subdivisions, and sewerage infrastructure. This required different types of information being collated by staff across the organisation.

Privacy Act 2020

A cross departmental project team continues to work on the implementation of the Privacy Act 2020, outcomes from this project have been a draft policy, an updated public statement on privacy and a new breach reporting process.

RESOLUTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

| | |
|----|--|
| 1. | The making available of information would be likely to unreasonably prejudice the commercial position of persons who are the subject of the information. {Section 7(2)(c)} |
| 2. | To enable the council (the committee) to carry on without prejudice or disadvantage commercial negotiations. {(Section 7(2)(i))}. |
| 3. | To protect the privacy of natural persons. {Section 7(2)(a)}. |
| 4. | Publicity prior to successful prosecution of the individuals named would be contrary to the laws of natural justice and may constitute contempt of court. {Section 48(1)(b)}. |
| 5. | To protect information which is the subject to an obligation of confidence, the publication of such information would be likely to prejudice the supply of information from the same source and it is in the public interest that such information should continue to be supplied. {Section 7(2)(c)(i)}. |
| 6. | In order to maintain legal professional privilege. {Section 2(g)}. |
| 7. | To enable the council to carry on without prejudice or disadvantage, negotiations {Section 7(2)(i)}. |

Resolution to allow members of the public to remain

If the council/committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

Move/Second

"That _____ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item _____.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because _____.

Note:

Every resolution to exclude the public shall be put at a time when the meeting is open to the public.