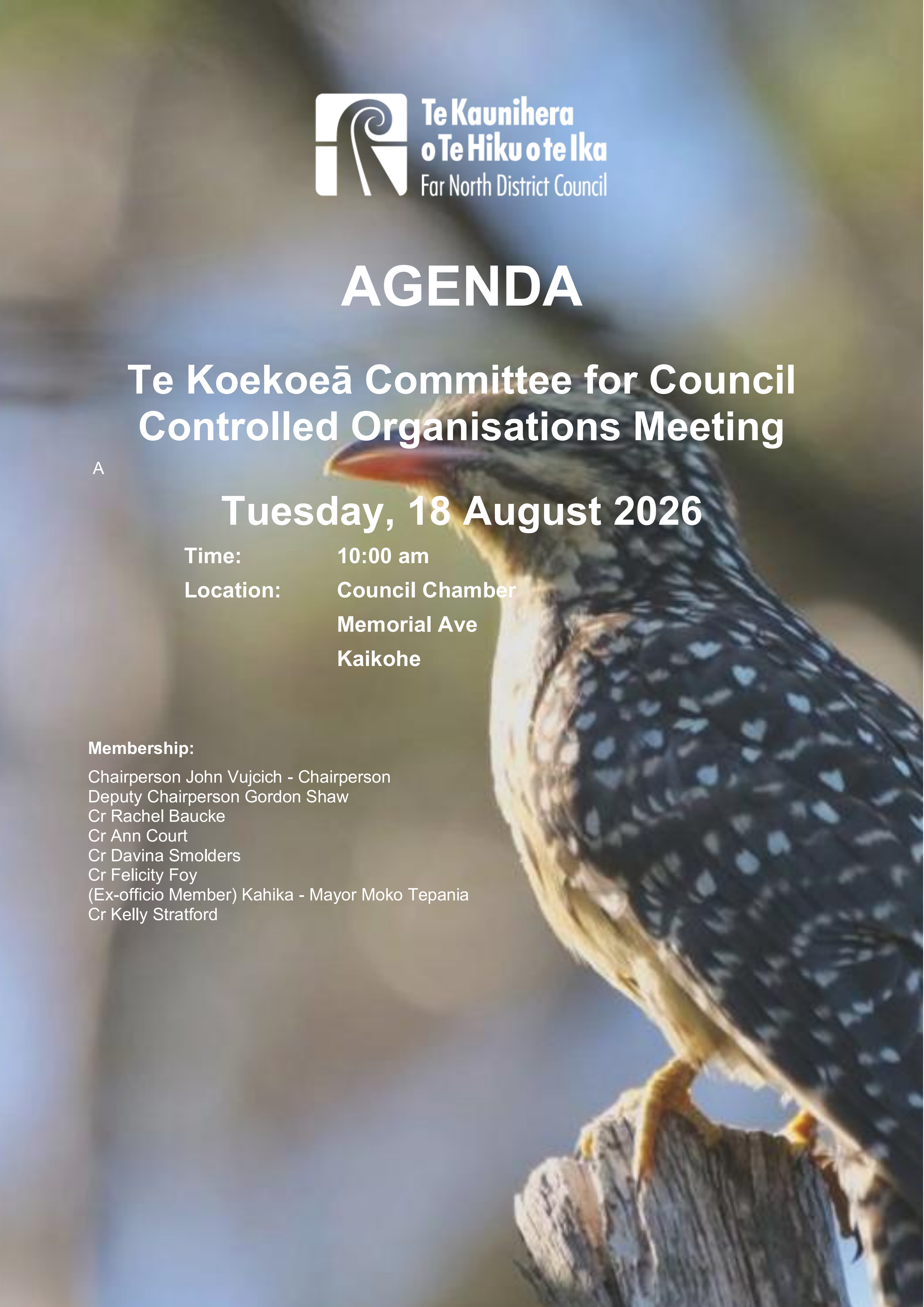

Te Kaunihera o Te Hiku o te Ika
Far North District Council

# AGENDA

## Te Koekoeā Committee for Council Controlled Organisations Meeting

A

## Tuesday, 18 August 2026

**Time:** 10:00 am

**Location:** Council Chamber
Memorial Ave
Kaikohe

**Membership:**

Chairperson John Vujcich - Chairperson
Deputy Chairperson Gordon Shaw
Cr Rachel Baucke
Cr Ann Court
Cr Davina Smolders
Cr Felicity Foy
(Ex-officio Member) Kahika - Mayor Moko Tepania
Cr Kelly Stratford

| | | |
|---|---|---|
| Te Kaunihera o Te Hiku o te Ika Far North District Council | **Authorising Body** | Mayor/Council |
| | **Status** | Standing Committee |
| **COUNCIL COMMITTEE** | **Title** | Te Koekoeā Committee for Council Controlled Organisations Terms of Reference |
| | **Approval Date** | 11 December 2025 |
| | **Responsible Officer** | Chief Executive |

### (1) Kaupapa / Purpose

Te Koekoeā Committee for Council Controlled Organisations safeguards community interests by providing strategic oversight of the Far North District Council's Council-Controlled Organisations (CCOs) by:

- Overseeing the establishment of CCOs and key governance activities under the Local Government Act 2002, including director appointments
- Recommending to Council on the content of Letters of Expectations.
- Reviewing Statements of Intent and ensuring CCO strategies align with Council priorities.
- Monitoring CCO performance to ensure accountability and transparency.
- Promoting a culture of openness and continuous improvement between Council and it's CCOs.
- Reporting to other Council committees and to Council as required.

### (2) Ngā Huānga / Membership

The Council will determine the membership of the Committee including at least one independent appointment with suitable financial and risk management knowledge and experience.

The Committee will comprise of elected members, and one independent appointed member, appointed as Deputy-Chairperson with full voting rights.

Kahika / Mayor Moko Tepania is an ex-officio member of all Committees.

Cr John Vujcich – Chairperson

Gordon Shaw – Deputy Chairperson and Independent Member

Cr Rachel Baucke

Cr Ann Court

Cr Felicity Foy

Cr Davina Smolders

Cr Kelly Stratford

### (3) Kōrama / Quorum

The quorum at a meeting of the Committee is 4 members.

### (4) Ngā Hui / Frequency of Meetings

The Committee shall meet 8 weekly.

### (5) Ngā Apatono / Power to Delegate

The Committee may not delegate any of its responsibilities, duties or powers.

**(6) Ngā Herenga Paetae / Responsibilities**

The Committee's responsibilities are described below:

**6.1 Establishment Evaluations** (s56 LGA)

- **6.1.1** Ensure new CCOs are formed in compliance with LGA and aligned with Council frameworks.

**6.2 Director Appointments and Board Evaluations** (s57 LGA)

- **6.2.1** Perform 'Appointment Committee' duties in accordance with FNDC Policy: Appointment and Remuneration of Directors for Council Organisations.
- **6.2.2** Recommend external advisors or consultants to Council as required.

**6.3 Planning and Statements of Intent** (s64; Schedule 8, LGA)

- **6.3.1** Review CCO strategic plans and advise on their suitability.
- **6.3.2** Review and recommend approval of Letters of Expectation.
- **6.3.3** Review draft Statements of Intent (SoIs) for clarity, alignment and deliverability.
- **6.3.4** Recommend adoption of final SoIs.

**6.4 Monitoring and Reporting** (s65 – 67 LGA)

- **6.4.1** Review and recommend Council adoption of each CCO's Annual Report as required (s 67 LGA)
- **6.4.2** Review half-yearly or quarterly reports, including performance against SoI requirements (s 66 LGA).
- **6.4.3** Participate in governance-to-governance meetings with CCOs to strengthen oversight and strategic alignment.
- **6.4.4** Request any information or reports from CCO management to fulfil its duties.
- **6.4.5** Receive reports on CCO delivery against strategies and plans.
- **6.4.6** Monitor all CCO reporting and escalate variances or concerns as appropriate.
- **6.4.7** Monitor key risks and emerging issues reported by CCOs and ensure material matters are escalated to Council as required.

**(7) Ngā Ture / Rules and Procedures**

These Terms of Reference should be read in conjunction with the Local Government Act 2002, the FNDC Code of Conduct, and all other applicable legislation and internal policies, including but not limited to:

- Appointment and Remuneration of Directors for Council Organisations

All Committee meetings will be conducted in accordance with Council's Standing Orders and the FNDC Code of Conduct.

## 2026 Work Plan

### Te Koekoeā Committee for Council Controlled Organisations

| Workstream | Ref | ToC Reference | Action Item | 24-Feb | 21-Apr | 16-Jun | 18-Aug | 13-Oct | 8-Dec |
|---|---|---|---|---|---|---|---|---|---|
| **Planning & Statements of Intent (s64)** | **6.3.1** | Review CCO strategic plans and advise on their suitability. | High-level review of each CCO's strategic plan to assess strategic coherence, alignment with Council priorities | FNHL | | FNHL | X | TBC | TBC |
| **Planning & Statements of Intent (s64)** | **6.3.2** | Review and recommend approval of Letters of Expectation. | Letter of Expectation – Committee review and endorsement | FNHL | | | NWDW | FNHL | |
| **Planning & Statements of Intent (s64)** | **6.3.3** | Review draft Statements of Intent (SoIs) for clarity, alignment and deliverability. | Draft Statement of Intent – Committee review and shareholder feedback | | FNHL<br>NINC | | | | |
| **Planning & Statements of Intent (s64)** | **6.3.4** | Recommend adoption of final SoIs. | Committee recommendation of Statement of Intent to Council | | | | FNHL<br>NINC | | |
| **Monitoring & reporting (ss65–67)** | **6.4.1** | Review and recommend Council adoption of each CCO's Annual Report as required (s 67 LGA) | Audited Annual Reports – Committee review and recommendation to Council | | | | | FNHL | |
| **Monitoring & reporting (ss65–67)** | **6.4.2** | Review half-yearly or quarterly reports, including performance against SoI requirements (s 66 LGA). | Quarterly CCO Performance Pack | FNHL Q2 | | FNHL Q3 | | | |
| **Monitoring & reporting (ss65–67)** | **6.4.5** | Receive reports on CCO delivery against strategies and plans. | Thematic governance-level deep dive into CCO performance | | | | X | | |
| **Monitoring & reporting (ss65–67)** | **6.4.7** | Monitor key risks and emerging issues reported by CCOs and ensure material matters are escalated to Council as required. | Governance-level review of CCO risk registers relevant to the shareholder | | | | X | | |
| **Monitoring & reporting (ss65–67)** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Performance measures & reporting integrity review | | | | X | | |
| **Monitoring & reporting (ss65–67)** | **6.4.4** | Request any information or reports from CCO management to fulfil its duties. | Targeted requests for information from CCO boards where required to support the Committee's responsibilities | AR | AR | AR | AR | AR | AR |
| **Monitoring & reporting (ss65–67)** | **6.4.6** | Monitor all CCO reporting and escalate variances or concerns as appropriate | Oversight of CCO reporting, including identification of material variances, emerging issues, or matters requiring escalation | AR | AR | AR | X | AR | AR |
| **Monitoring & reporting (ss65–67)** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Receive reports from Council Organisations as required | AR | AR | AR | AR | AR | AR |
| **Director appointments & board evaluations (s57)** | **6.2.1** | Perform 'Appointment Committee' duties in accordance with FNDC Policy: Appointment and Remuneration of Directors for Council Organisations. | Annual director plan: term expiries, skills matrix, succession, process/timing | | | FNHL | | | NINC |
| **Director appointments & board evaluations (s57)** | **6.2.1** | Perform 'Appointment Committee' duties in accordance with FNDC Policy: Appointment and Remuneration of Directors for Council Organisations. | Board performance and remuneration review | | | | | | X |
| **Director appointments & board evaluations (s57)** | **6.2.1** | Perform 'Appointment Committee' duties in accordance with FNDC Policy: Appointment and Remuneration of Directors for Council Organisations. | Director appointments / changes / vacancies | AR | FNHL | AR | AR | AR | AR |
| **Director appointments & board evaluations (s57)** | **6.2.2** | Recommend external advisors or consultants to Council as required. | External advisor or consultants appointments | AR | AR | AR | AR | AR | AR |
| **Governance-to-governance engagement** | **6.4.3** | Participate in governance-to-governance meetings with CCOs to strengthen oversight and strategic alignment. | Governance-to-governance meeting | AR<br>(FNHL 29 Jan) | AR | AR | AR | FNHL | NWDW<br>NINC |
| **Committee effectiveness / forward planning** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Forward work plan refresh for next cycle | | | | | | X |
| **Committee effectiveness / forward planning** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Committee effectiveness review | | | | | | X |
| **Committee effectiveness / forward planning** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Open resolutions review | X | X | X | X | X | X |
| **Committee effectiveness / forward planning** | **6.4** | Monitoring and Reporting (s65 – 67 LGA) | Review of related-party matters and/or disclosure of conflicts | AR | AR | AR | X | AR | AR |
| **Establishment Evaluations (s56 LGA)** | **6.1.1** | Ensure new CCOs are formed in compliance with LGA and aligned with Council frameworks. | Review and Endorsement of Council Controlled Organisation establishment | AR | NWDW | AR | AR | AR | AR |

X = All CCOs

FNHL = Far North Holdings Ltd

NINC = Northland Inc (Primary oversight managed by a Joint Regional Committee)

NWDW = Northland Water Done Well/Northland Waters Ltd (Primary oversight managed by a Joint Regional Committee)

AR = As Required

**Far North District Council**

**Te Koekoeā Committee for Council Controlled Organisations Meeting**

**will be held in the Council Chamber, Memorial Ave, Kaikohe on:**

**Tuesday 18 August 2026 at 10:00 am**

## Te Paeroa Mahi / Order of Business

## 1 KARAKIA TĪMATANGA / OPENING PRAYER

## 2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Committee and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a Member thinks they may have a conflict of interest, they can seek advice from the Chief Executive Officer or the Manager - Democracy Services (preferably before the meeting).

It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

## 3 NGĀ TONO KŌRERO / DEPUTATION

No requests for deputations were received at the time of the Agenda going to print.

# 4 TE WHAKAAETANGA O NGĀ MENETI O MUA / CONFIRMATION OF PREVIOUS MINUTES

## 4.1 CONFIRMATION OF PREVIOUS MINUTES

**File Number:** A5891824

**Author:** Marysa Maheno, Democracy Advisor

**Authoriser:** Aisha Huriwai, Manager - Democracy Services

### TAKE PŪRONGO / PURPOSE OF THE REPORT

The minutes are attached to allow the Committee to confirm that the minutes are a true and correct record of previous meetings.

### TŪTOHUNGA / RECOMMENDATION

**That Te Koekoeā Committee for Council Controlled Organisations confirm the minutes of the meeting held 16 June 2026 are true and correct.**

### 1) TĀHUHU KŌRERO / BACKGROUND

Local Government Act 2002 Schedule 7 Section 28 states that a local authority must keep minutes of its proceedings. The minutes of these proceedings duly entered and authenticated as prescribed by a local authority are prima facie evidence of those meetings.

### 2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The minutes of the meetings are attached.

Far North District Council Standing Orders Section 27.3 states that no discussion shall arise on the substance of the minutes in any succeeding meeting, except as to their correctness.

### TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

The reason for the recommendation is to confirm the minutes are a true and correct record of the previous meetings.

### 3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or the need for budgetary provision as a result of this report.

### ATTACHMENTS

1. **2026-06-16 Te Koekoeā Committee for Council Controlled Organisations Minutes - A5821672** ⇩

**Hōtaka Take Ōkawa / Compliance schedule:**

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
    a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
    b) Assess the options in terms of their advantages and disadvantages; and
    c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

| He Take Ōkawa / Compliance Requirement | Aromatawai Kaimahi / Staff Assessment |
|---|---|
| State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy | This is a matter of low significance. |
| State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision. | This report complies with the Local Government Act 2002 Schedule 7 Section 28. |
| State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought. | It is the responsibility of each meeting to confirm their minutes therefore the views of another meeting are not relevant. |
| State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water. | There are no implications for Māori in confirming minutes from a previous meeting. Any implications on Māori arising from matters included in meeting minutes should be considered as part of the relevant report. |
| Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example, youth, the aged and those with disabilities). | This report is asking for minutes to be confirmed as true and correct record, any interests that affect other people should be considered as part of the individual reports. |
| State the financial implications and where budgetary provisions have been made to support this decision. | There are no financial implications or the need for budgetary provision arising from this report. |
| Chief Financial Officer review. | The Chief Financial Officer has not reviewed this report. |

**MINUTES OF FAR NORTH DISTRICT COUNCIL
TE KOEKOEĀ COMMITTEE FOR COUNCIL CONTROLLED ORGANISATIONS MEETING
HELD AT THE COUNCIL CHAMBER, MEMORIAL AVE, KAIKOHE
ON TUESDAY, 16 JUNE 2026 AT 10:00AM**

**PRESENT:** Chairperson John Vujcich, Deputy Chairperson Gordon Shaw, Cr Rachel Baucke, Cr Ann Court (online), Cr Felicity Foy (online), Cr Kelly Stratford (online).

**IN ATTENDANCE:** Kohepu Chicky Rudkin, Cr Arohanui Allen (online).

**STAFF PRESENT:** Charlie Billington (Group Manager – Corporate Services), Guy Holroyd (Chief Executive Officer), Rachel Smith (Executive Officer – Mayors Office), Kate Ivicheva (Group Manager – Planning & Policy), Ken MacDonald (Chief Financial Officer), Marysa Maheno (Democracy Advisor).

## 1 KARAKIA TIMATANGA / OPENING PRAYER

Cr Kelly Stratford commenced the meeting at 10:00AM with a karakia.

## 2 NGĀ TONO KŌRERO / DEPUTATION

Tracy Dalton and Adrienne Tari presented to the board on behalf of Pou Herenga Tai Trust.

## 3 NGĀ KŌRERO A TE KAHIKA / MAYORAL ANNOUNCEMENTS

Chair John Vujcich noted that the supplementary agenda item will be considered as a minor item not on the agenda and will be discussed but no resolution shall be passed.

## 4 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST T

Chair John Vujcich noted the apologies from Kahika Moko Tepania and Cr Davina Smolders. Also noted the online attendance from Crs Ann Court, Felicity Foy and Kelly Stratford.

## 5 TE WHAKAAETANGA O NGĀ MENETI O MUA / CONFIRMATION OF PREVIOUS MINUTES

### 5.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 4.1 document number A5789869, pages 8 - 9 refers

**RESOLUTION 2026/5**

Moved: Cr Rachel Baucke
Seconded: Cr Kelly Stratford

**That Te Koekoeā Committee for Council Controlled Organisations confirm the minutes of the meeting held 21 April 2026 are true and correct.**

**CARRIED**

## 6 NGĀ PŪRONGO / REPORTS

### 6.1 NORTHLAND WATERS LIMITED - STANDING APPROACH TO SHAREHOLDERS' REPRESENTATIVE APPOINTMENTS

Agenda item 5.1 document number A5671618, pages 13 - 58 refers

**RESOLUTION 2026/6**

Moved: Cr Kelly Stratford
Seconded: Chairperson John Vujcich

**That Te Koekoeā recommend to Council that Council make no additional restriction on future FNDC appointments to the Northland Waters Limited Shareholders' Representative Group beyond the requirements of the Shareholders' Agreement, under which at least one representative is an elected member and the second representative may be a non-elected person, and that Council retain discretion to appoint elected members to all positions in any appointment round.**

In Favour: Chairperson John Vujcich, Deputy Chair Gordon Shaw, and Crs Ann Court, Felicity Foy and Kelly Stratford

Against: Cr Rachel Baucke

**CARRIED 5/1**

## 7 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

### 7.1 POU HERENGA TAI - TWIN COAST CYCLE TRAIL - HALF YEAR REPORT

Agenda item 6.1 document number A5812956, pages 59 - 59 refers

**RESOLUTION 2026/7**

Moved: Cr Rachel Baucke
Seconded: Cr Kelly Stratford

**That the Te Koekoeā Committee for Council Controlled Organisations receive the report Pou Herenga Tai - Twin Coast Cycle Trail - Half Year Report.**

**CARRIED**

*The committee received the supplementary agenda item 6.2. The item was discussed but no recommendation was resolved.*

## 8 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED

**RESOLUTION TO EXCLUDE THE PUBLIC**

**RESOLUTION 2026/8**

Moved: Chairperson John Vujcich
Seconded: Cr Rachel Baucke

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

**The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under section 48 for the passing of this resolution |
|---|---|---|
| **7.1 - Confirmation of Previous Minutes - Public Excluded** | s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities<br><br>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |
| **7.2 - Far North Holdings Limited - CCO Performance Report** | s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |
| **7.3 - Far North Holdings Limited - Board Appointments** | s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |

**CARRIED**

## 9 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

## 10 MEETING CLOSE

**The meeting closed at 12:37PM.**

**The minutes of this meeting will be confirmed at the Te Koekoeā Committee for Council Controlled Organisations Meeting held on 18 August 2026.**

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**CHAIRPERSON**

## 5 NGĀ PŪRONGO / REPORTS

### 5.1 GREENHOUSE GAS EMISSIONS REDUCTION CONSIDERATIONS FOR COUNCIL-CONTROLLED ORGANISATIONS

**File Number:** **A5840213**

**Author:** **Aya Morris, Net Zero & Sustainability Programme Lead**

**Authoriser:** **Kate Ivicheva, Group Manager - Planning & Policy**

### TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek a recommendation to Council that greenhouse gas (GHG) emissions reduction targets and GHG emissions measurement should be mandated for council-controlled organisations (CCO) that contribute to the GHG emissions footprint for Far North District Council (FNDC).

### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- FNDC has adopted science-aligned GHG emissions reduction targets but has not yet mandated GHG emissions measurement or GHG emissions reduction targets for its CCOs.
- To become eligible for Climate Action Loans from the Local Government Funding Agency (LGFA), GHG emissions from CCOs must be measured and reduced in accord with FNDC's science-aligned GHG emissions reduction targets.
- There is an opportunity to introduce GHG emissions reduction targets and requirements for GHG emissions measurement in the statement of expectations for the new CCO, Northland Waters Limited.
- The Joint Climate Change Adaptation Committee has provided climate action recommendations for the new CCO, Northland Waters Limited.
- Requirements must also be mandated for Far North Holdings Limited (FNHL) and Northland Inc. to enable FNDC to deliver on climate action commitments set out through the Far North 2100 Strategy, the Climate Change Roadmap and the Climate Action Policy.
- If CCO managed by FNDC either in whole or in part do not reduce their GHG emissions, FNDC must take responsibility for offsetting these GHG emissions to achieve the adopted Net Zero 2050 target.

### TŪTOHUNGA / RECOMMENDATION

**That Te Koekoeā Committee recommends to Council:**

a) GHG emissions reduction targets and requirements for GHG emissions measurement be mandated through the statement of expectations for the new CCO, Northland Waters Limited, for the portion of GHG emissions which relate to FNDC;

b) GHG emissions reduction targets and requirements for GHG emissions measurement be mandated for Far North Holdings Ltd;

c) GHG emissions reduction targets and requirements for GHG emissions measurement be mandated for the portion of Northland Inc GHG emissions which relate to FNDC.

## 1) TĀHUHU KŌRERO / BACKGROUND

In 2020, FNDC adopted a Climate Change Roadmap,[1] which included a climate change mitigation goal to reduce GHG emissions in line with the government's national emissions reduction targets or better. The climate action goals from the roadmap informed the inclusion of climate change as a focus area within the Far North 2100 Strategy,[2] adopted in 2021 after extensive consultation. This strategy reiterates the goal to reduce GHG emissions in line with the government's national emissions reduction targets or better.

In 2023, FNDC adopted a Climate Action Policy,[3] which states that FNDC will undertake annual inventories of the council's GHG emissions, gathering data to monitor and inform GHG emissions reduction action.

In March 2026,[4] FNDC adopted intermediate emissions reduction targets which are science-aligned,[5] with the intention that a GHG emissions reduction plan should be developed to meet the eligibility criteria set out by the Local Government Funding Agency (LGFA) for local government organisations to access Climate Action Loans.[6]

To qualify for Climate Action Loans from the LGFA, FNDC must begin to measure and report on GHG emissions from closed landfills. Additionally, FNDC must either measure and report on GHG emissions from CCOs or must require CCOs to independently measure and report their emissions. Far North Holdings Ltd has begun work toward GHG emissions measurement. Northland Inc. is not currently measuring GHG emissions.

In March 2026, the Joint Climate Change Adaptation Committee (JCCAC) resolved to provide recommendations regarding community adaptation planning and emissions reduction opportunities for the new CCO, Northland Waters Limited - Ngā Wai o Te Tai Tokerau.[7] The JCCAC letter of recommendations is attached to this report as Appendix A.

The work programme to develop a Statement of Expectations for Northland Waters Limited is currently underway, and Te Koekoeā committee received a report on this topic in June 2026.[8]

The components within the Northland Waters Limited Statement of Expectations which offer opportunities to mandate GHG emissions measurement and emissions reduction targets are these:

- performance indicators and measures used for shareholder monitoring;
- expectations relating to strategic priorities to be reflected in the Water Services Strategy;
- requirements to act in accordance with contractual or other obligations of shareholder territorial authorities (including with hapū, iwi, or Māori organisations); and
- expectations that part or all of the Water Services Strategy be independently reviewed or audited.

## 2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

There are presently three CCOs that contribute to the GHG emissions footprint for FNDC. If FNDC is to achieve the GHG emissions reduction targets set out in adopted policy and strategy, GHG emissions measurement and GHG emissions reduction must be mandated for each CCO.

**Relevant legislation**

[1] FNDC Climate Change Roadmap, 2020
[2] Far North 2100 Strategy, 2021
[3] Climate-Action-Policy.pdf
[4] Far North District Council meeting, 5 March 2026, Agenda item 7.3, document number A5595398.
[5] https://sciencebasedtargets.org/
[6] Climate Action Loans | New Zealand Local Government Funding Agency
[7] Joint Climate Change Adaptation Committee meeting, 24 March 2026, Agenda item 4.3, document number A5601819.
[8] Te Koekoeā Committee for Council Controlled Organisations meeting, 16 June 2026, Agenda item 6.2, document number A5822989.

The Climate Change Response (Zero Carbon) Amendment Act (2019) sets out legislative guidelines for the reduction of GHG emissions to reach net zero by 2050.[9] These GHG emissions reduction guidelines and associated targets are detailed further in New Zealand's second emissions reduction plan.[10]

### Policy and strategy considerations

The FNDC Climate Action Policy, Climate Change Roadmap and Far North 2100 Strategy each endorse the GHG emissions reduction targets set out in this legislation and support an approach to GHG emissions reduction for FNDC which seeks to meet or exceed these targets.

### Significance and engagement

The FNDC's current direction in GHG emissions reduction has been included in the consultation process carried out around the Far North 2100 strategy and has been endorsed by Far North communities both through that process and through subsequent Long Term Plan (LTP) engagement with communities.

### Risk and mitigations

If FNDC and other shareholder councils elect to introduce requirements for CCO to measure GHG emissions and work toward GHG emissions reduction targets, there is some risk to the affordability of infrastructure programmes to be carried out by these CCO.

Failure to implement climate change mitigation requirements for CCO could expose FNDC and other Northland councils to increased reputational, financial, legal and compliance impacts.

### Implications for Māori

Climate change mitigation has implications for Māori as lands and waterways, as well as indigenous biodiversity, are vulnerable to climate change impacts.

### Costs of each option

The financial implications for CCO to implement climate change mitigation actions such as GHG emissions measurement and reduction have not been quantified.

However, if CCO are not required to implement GHG emissions reduction action, and FNDC retains the existing net zero GHG emissions target for 2050, then FNDC will be exposed to the costs of sequestration work, such as tree planting, or the costs of offsetting CCO GHG emissions through the purchase of carbon credits.

To provide an example of GHG sequestration potential from forestry, the entire forestry assets currently held by FNDC sequester less than one third of the GHG emissions produced from wastewater treated at the district's 16 wastewater treatment plants each year. This does not include any infrastructure works and relates only to direct GHG emissions from treated wastewater.

## TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

The recommendation gives effect to FNDC's Far North 2100 Strategy, Climate Change Roadmap, and Climate Action Policy. If this recommendation is adopted and implemented by Council and by Council's CCOs, the resulting reduction in GHG emissions will support progress toward national and international GHG emissions reduction targets and will assist to mitigate the impacts of climate change.

Further, if this recommendation is adopted and implemented by Council and by Council's CCOs, then the FNDC will become eligible for Climate Action Loans from the LGFA, which was the intention behind the March 2026 decision to adopt science-aligned emissions reduction targets for FNDC.

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[9] Climate Change Response (Zero Carbon) Amendment Act 2019 No 61, Public Act Contents – New Zealand Legislation
[10] New Zealand's second emissions reduction plan 2026–30: Amended January 2026 | Ministry for the Environment

### 3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

The recommendation may have financial implications for FNDC's CCOs, Far North Holdings Limited, Northland Inc., and Northland Waters Limited, Ngā Wai o Te Tai Tokerau.

Financial implications may also accrue to FNDC. For example, GHG emissions reduction activities have potential to reduce operational costs in some areas, reducing the budgets required to operate each CCO. Conversely, dividends paid to FNDC by Far North Holdings Ltd may reduce if profits are redirected to resource emissions reduction activities.

If the recommendation is not adopted, there may be financial implications for FNDC as the GHG emissions produced by the CCOs must be offset through carbon sequestration or through the purchase of carbon credits to enable FNDC to achieve adopted GHG emissions reduction targets.

### ĀPITIHANGA / ATTACHMENTS

**1. Appendix A - JCCAC Recommendations for Northland Waters - A5878786** ⇩

**Hōtaka Take Ōkawa / Compliance Schedule:**

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
   a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
   b) Assess the options in terms of their advantages and disadvantages; and
   c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

| **He Take Ōkawa / Compliance Requirement** | **Aromatawai Kaimahi / Staff Assessment** |
|---|---|
| State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy | The proposal has a low level of significance as defined by Far North District Council's Significance and Engagement Policy as it is consistent with existing policy and plans. |
| State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision. | FNDC Climate Action Policy<br>FNDC Climate Change Roadmap<br>FNDC Far North 2100 Strategy<br>Climate Change Response (Zero Carbon) Amendment Act (2019) |
| State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought. | The proposal has district-wide relevance. |
| State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.<br>State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi. | Climate change mitigation has implications for Māori as lands and waterways, as well as indigenous biodiversity, are vulnerable to climate change impacts.<br>Māori were consulted as part of the Far North 2100 Strategy engagement process. |
| Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities). | All the groups named are affected by climate change, alongside the general population. |
| State the financial implications and where budgetary provisions have been made to support this decision. | The recommendation may have financial implications for FNDC's CCOs.<br>Financial implications may also accrue to FNDC through reduced operational costs, or through reduced CCO dividends if profits are redirected to resource GHG emissions reduction activities. |

| | |
|---|---|
| | If the recommendation is not adopted, there may be financial implications for FNDC as GHG emissions produced by CCOs must be offset through carbon sequestration or through the purchase of carbon credits. |
| Chief Financial Officer review. | The Chief Financial Officer has not reviewed this report. |

# Joint Climate Change Adaptation Committee

01 May 2026

**To:** Ken Couper, WDC Mayor, Chair – Elected Member Steering Group, Northland Water Done Well; Moko Tepania, FNDC Mayor; Jonathan Larsen, KDC Mayor; Pita Tipene, NRC Chair.
**Cc'd:** Murray Bain, Chair - Establishment Advisory Group, Northland Water Done Well; Andrew Carvell, Programme Director - Waters Implementation, WDC; Simon Weston, Chief Executive, WDC; Guy Holroyd, Chief Executive, FNDC; Michael Day, Interim Chief Executive, KDC; Jonathan Gibbard, Chief Executive, NRC.

Tēnā koutou,

**RE: Recommendations for Northland Waters CCO Statement of Expectations**

The Joint Climate Change Adaptation Committee resolved on 24 March 2026 to provide recommendations for Ngā Wai o Te Tai Tokerau, the Northland Waters CCO.

The resolution reads:

***That** the Joint Climate Change Adaptation Committee:*

> *recommends to the Establishment Advisory Group and Elected Members Steering Group for the new Northland Water Done Well council-controlled organisation that community adaptation planning and emissions reduction opportunities should be considered during the scoping and preparation phase for the new water services entity.*

The following advice for Ngā Wai o Te Tai Tokerau, Northland Waters, has been prepared by Climate Adaptation Te Tai Tokerau, a joint working group made up of staff from Northland councils, as well as hapū and iwi representatives.

It is recommended that this guidance should be incorporated within the Statement of Expectations for the new water services CCO once established.

Nāku noa, nā,

Councillor Kelly Stratford
Chairperson
Joint Climate Change Adaptation Committee
Kelly.Stratford@fndc.govt.nz

Joint Climate Change Adaptation Committee Recommendations for Northland Waters CCO

**Recommendations for Northland Waters CCO Statement of Expectations**

**Climate-related risks and adaptation**

1. Ensure technical capacity and capability is available to participate in each council's adaptation planning programmes and provide technical and stakeholder advice.
2. Recognise the role of the CCO as a delivery partner for all adopted adaptation plans.
3. Integrate relevant adaptation components in adopted adaptation plans through the CCO's infrastructure planning, asset management and financial planning processes.
4. Implement and deliver on relevant adaptation decisions in adopted adaptation plans through the CCO's infrastructure planning and asset management processes.
5. Consider wider community objectives, community risk tolerance levels/thresholds, accepted current or future changes to levels of service, and response signals, triggers and lead-in times for all long-term planning.
6. For assets not covered under adopted adaptation plans, work alongside councils' risk and adaptation subject matter experts, and
    - ensure planning and design adequately consider available future climate and hazards scenarios when setting performance standards and levels of service,
    - apply a risk-based approach to planning and design, and
    - use the Dynamic Adaptive Planning Protocol (DAPP) process recommended by Ministry for the Environment where climate change risks are uncertain

**Emissions reduction**

7. Support shareholding councils' emissions reduction targets and net-zero transition objectives by ensuring operational planning, design and delivery actively pursue opportunities to align operational emissions reduction with council targets across the CCO's assets and services.
8. Integrate emissions reduction considerations in long-term planning, including evaluating the resilience, affordability, and whole of life performance of low emissions alternatives.
9. Ensure planning processes consider the timing, triggers, and enabling conditions required to support a staged transition to low emissions operations.
10. Recognise that where immediate investment in low emissions options is not feasible, these considerations remain essential to avoid future stranded assets and to maintain alignment with a low emissions, renewable energy future.

## 6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

### 6.1 FUTURE ECONOMIC DEVELOPMENT INVESTMENT AND RESOURCING - FAR NORTH DISTRICT COUNCIL LONG TERM PLAN 2027 - 2037

**File Number:** **A5895009**

**Author:** **Roger Ackers, Head of Strategic Reform Initiatives**

**Authoriser:** **Guy Holroyd, Chief Executive Officer**

### TAKE PŪRONGO / PURPOSE OF THE REPORT

To update Te Koekoeā Committee on work underway to assess future economic development investment and resourcing for the Far North District, following Council's 22 July 2026 direction that this matter be developed through the Long Term Plan 2027-2037 process.

The report also confirms that staff have undertaken an internal workshop to identify key issues and emerging themes, and that the matter will be workshopped with elected members as part of the LTP process on 25 August 2026.

### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- On 22 July 2026, Council directed that future economic development investment and resourcing options be considered through the Long Term Plan 2027-2037 process.
- No decision was made on a preferred funding model, delivery arrangement, or level of investment.
- Staff subsequently held an internal workshop to explore what successful economic development would look like for the Far North.
- The workshop highlighted the need to focus on economic outcomes rather than organisational structures.
- Key outcomes identified included productivity, investment attraction, quality jobs, business growth, Māori economic development, and long-term prosperity.
- An elected member workshop on 25 August 2026 will test desired outcomes, Council's role, partnerships, and potential investment options for consideration through the LTP.

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### TŪTOHUNGA / RECOMMENDATION

**That Te Koekoeā Committee for Council Controlled Organisations receive the report Future Economic Development Investment and Resourcing - Far North District Council Long Term Plan 2027 - 2037.**

### TĀHUHU KŌRERO / BACKGROUND

Economic development is identified in Far North 2100 as part of Council's broader focus on sustainable prosperity and wellbeing. The Far North continues to face structural economic challenges, including lower productivity, lower household incomes, infrastructure constraints and comparatively high levels of deprivation. At the same time, the district has significant opportunities in areas such as tourism, primary production, renewable energy, Māori economic development and investment attraction.

Economic development activity in Northland is currently delivered through a regional model involving Northland NZ, the four Northland councils, iwi, central government, industry and community partners. Northland NZ operates as the regional economic development agency and regional tourism organisation, with shareholder oversight through the Joint Regional Economic Development Committee.

On 22 July 2026, Council considered a report on future economic development investment and resourcing for the Far North District. That report did not seek a final decision on a preferred model. It proposed that future economic development investment be assessed through the Long Term Plan 2027-2037 process, including consideration of Council's desired economic outcomes, future investment levels, relationship with Northland NZ, and potential local delivery requirements.

Since that meeting, staff have held an internal workshop to support the next stage of the LTP process. The workshop tested the role of economic development, the distinction between regional and local delivery, and the outcomes that future investment should support. The staff workshop presentation records the key shift in focus as moving from "Do we fund economic development?" to "What economic outcomes are we seeking and what investment model best delivers them?

## MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

Following the 22 July 2026 Council direction, staff convened an internal working group workshop on future economic development investment for the Far North. The purpose was to bring together staff involved in, or with an interest in, economic development activity and to identify the key matters that should inform the elected member LTP discussion.

The workshop was framed around a practical question: what does good look like when it comes to economic development in the Far North? This questions was considered from four perspectives: communities, FNDC staff, elected members and central government.

The workshop discussion reinforced that future economic development investment should be assessed against the outcomes Council is seeking, rather than through an organisation-by-organisation funding lens. Key outcome areas identified through the workshop material include productivity, investment attraction, quality jobs, business growth, Māori economic development and long-term prosperity.

The discussion also highlighted the need to distinguish between activities best delivered at a regional level and those where stronger district-level focus may be required. This includes consideration of Council's relationship with Northland NZ, the role of JREDC, the Investment and Growth Reserve, and the extent to which Council needs local capability to develop, advocate for and support Far North economic priorities.

The matter is now being progressed through the Long Term Plan process. The Lead for the Long Term Plan has confirmed that economic development has been linked to elected member priorities where there is a full or partial match, including regional deal opportunities and advocacy, and business engagement and government advocacy.

The next formal step is an elected member workshop on 25 August 2026. This workshop will test the emerging outcome areas, future role of Council, investment level, and delivery options. The output from that workshop will inform development of economic development options and funding scenarios for the LTP 2027-2037 process.

No decision is sought from Te Koekoeā at this stage. The Committee is being updated because Council's 22 July 2026 direction was for the matter to come to Te Koekoeā and then move into the LTP process, and because the issue directly relates to Council's regional economic development arrangements, including Northland NZ and shareholder oversight.

*Emerging Themes*

The following table contains emerging themes that have come from the Council meeting on 22 July 2026 and the staff workshop on 31 July 2026.

| Theme | What this means for the LTP discussion |
|---|---|
| **Outcomes first** | Investment should be assessed against the economic outcomes Council wants for the Far North, not only the current delivery arrangements. |

| | |
|---|---|
| **Regional and local roles** | Some activities may be best delivered regionally, while others may require stronger district-level focus or capability. |
| **Investment attraction and advocacy** | Council needs to consider how it supports regional deal opportunities, business engagement, government advocacy and investment-ready projects. |
| **Māori economic development** | Future options should consider how Māori economic aspirations, iwi and hapū partnerships, and Māori enterprise growth are supported. |
| **Northland NZ and shareholder arrangements** | The LTP process needs to test Council's future level of investment in Northland NZ and related regional arrangements. |
| **Measurement and accountability** | Future funding should be linked to clear outcomes, reporting and evidence of value for the Far North. |

## PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

No additional funding is sought through this report.

Current economic development funding arrangements, including Council's contribution to the Investment and Growth Reserve and Northland NZ, remain in place at this stage. Any change to future investment levels, delivery arrangements, or Council resourcing will be considered through the Long Term Plan 2027-2037 process.

The purpose of the 25 August 2026 elected member workshop is to test the outcomes, options and investment assumptions that should inform future LTP decisions.

## ĀPITIHANGA / ATTACHMENTS

**Nil**

## 6.2 NORTHLAND NZ STATEMENT OF INTENT 2026-27

**File Number:** **A5859298**

**Author:** **Roger Ackers, Head of Strategic Reform Initiatives**

**Authoriser:** **Guy Holroyd, Chief Executive Officer**

### TAKE PŪRONGO / PURPOSE OF THE REPORT

The purpose of this report is to provide Te Koekoeā Committee for Council Controlled Organisations with an overview of the final 2026/27 Statement of Intent (SOI) adopted by Northland NZ, summarise the feedback provided by shareholder councils during the SOI development process, assess the extent to which Far North District Council's key matters have been addressed, and identify any remaining issues that may warrant future engagement through shareholder expectations, quarterly reporting, or future SOI processes.

### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Northland NZ has completed its 2026/27-2028/29 Statement of Intent following shareholder review and feedback through the Joint Regional Economic Development Committee process. The SOI has been developed in accordance with Schedule 8 of the Local Government Act 2002 and reflects consultation between the organisation and its shareholder councils.

The Report Titled 'Northland NZ Limited: Statement of Intent 2026/27 – Final Document' that was tabled at the 31 July 2026 Joint Regional Economic Development Committee Meeting can be found in Attachment 1 containing the following.

- Northland NZ Limited - Board Completed SOI 2026/27
- Letter from Northland NZ accompanying Completed SOI 2026/27
- Shareholder Comments on Draft SOI 2026/27
- Staff assessment of Northland NZ responses to Shareholder Comments on draft SOI
- 2026/27

Far North District Council, through the Joint Regional Economic Development Committee, supported a range of improvements to the draft SOI, including greater transparency around funding allocation, stronger district-level reporting, improved qualitative reporting alongside quantitative KPIs, clarification of Northland NZ's facilitation role, and clearer articulation of outcomes relating to tourism, Māori economic development, workforce development and investment attraction.

The final SOI demonstrates that many of these matters have been incorporated. In particular, enhanced funding information has been provided, district-level reporting commitments have been strengthened, and a greater emphasis has been placed on Northland NZ acting as a regional facilitator, coordinator and enabler rather than a direct service delivery agency.

However, some matters raised by shareholders were either only partially addressed or not incorporated. These include governance assurance mechanisms, cyber security and organisational resilience reporting, district-level tourism performance measures, and explicit consideration of future local government reform impacts on economic development delivery arrangements.

A notable change in the final SOI is the increased emphasis on inward investment attraction, project development and capital raising within the Investment and Infrastructure Pou, alongside a reduction in specific infrastructure-related activities previously included in the draft document. Officers advising the Joint Regional Economic Development Committee identified this as a significant strategic shift that warrants ongoing dialogue with the Northland NZ Board.

Overall, the final SOI represents a material improvement on the draft document and substantially responds to the majority of shareholder feedback. The remaining matters are considered capable of being addressed through future SOI development processes, quarterly reporting expectations and shareholder engagement with the Board.

**TŪTOHUNGA / RECOMMENDATION**

**That Te Koekoeā Committee for Council Controlled Organisations receive the report Northland NZ Statement of Intent 2026-27.**

## TĀHUHU KŌRERO / BACKGROUND

Northland NZ is the jointly owned economic development agency of Far North District Council, Kaipara District Council, Whangārei District Council and Northland Regional Council. The organisation is governed as a council-controlled organisation and is required under Schedule 8 of the Local Government Act 2002 to prepare a Statement of Intent each year setting out its strategic direction, activities, performance measures and financial forecasts.

The development of the 2026/27 SOI commenced with preparation of a draft SOI by Northland NZ in early 2026. The draft was provided to shareholder councils through the Joint Regional Economic Development Committee and formally received on 6 March 2026. Shareholder comments were subsequently considered and approved by the Joint Committee on 24 April 2026 and provided to the Northland NZ Board on 1 May 2026.

The shareholder feedback focused on three overarching themes:

- greater specificity regarding the activities to be undertaken;
- improved transparency regarding funding allocations and resource use;
- stronger qualitative reporting demonstrating community and district-level outcomes.

Northland NZ submitted its completed SOI on 25 June 2026, prior to the statutory deadline of 1 July 2026. The Joint Regional Economic Development Committee considered the completed SOI at its meeting on 31 July 2026. Officers advised that Northland NZ had made a reasonable effort to incorporate shareholder feedback and recommended approval of the SOI while also recommending a future workshop with the Northland NZ Board to inform development of the 2027/28 SOI and Long Term Plan alignment.

For Far North District Council, review of the final document identified that most requested amendments were either fully or substantially incorporated, with a smaller number remaining for future consideration.

## MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The Report Titled ‘Northland NZ Limited: Statement of Intent 2026/27 – Final Document’ in attachment 1 that was tabled at the 31 July 2026 Joint Regional Economic Development Committee provides useful context regarding the evolution of the SOI and the rationale for the final SOI. Officers advising the Joint Committee concluded that Northland NZ had generally responded positively to shareholder feedback and had made a fair attempt to incorporate requested changes. Accordingly, approval of the SOI was recommended.

The paper also highlights several areas that warrant ongoing monitoring by shareholder councils.

*Strategic shift in the Investment and Infrastructure Pou*

The most significant issue identified by officers relates to a strategic shift within the Investment and Infrastructure Pou. The draft SOI contained a stronger emphasis on infrastructure leadership, including remaining informed on infrastructure challenges and opportunities, supporting enabling infrastructure and advocating for regional infrastructure investment. The final SOI instead places greater emphasis on inward investment attraction, project pipeline development, investor matching, capital raising and inward delegations

While investment attraction is an important component of economic development, officers noted that infrastructure remains a critical enabling factor for Northland's economic growth and highlighted that Northland NZ has been actively involved in development of the Regional Infrastructure Plan. The extent to which infrastructure leadership remains a priority for Northland NZ may therefore warrant further discussion with the Board as part of future shareholder engagement.

*Te Rerenga implementation*

The shareholder councils supported Northland NZ maintaining a leadership role in implementing Te Rerenga. However, the final SOI reframes this role from active implementation leadership towards stewardship and alignment, positioning Te Rerenga as a guiding vision document rather than an actively managed programme. Northland NZ's accompanying correspondence explains that previous implementation and secretariat functions relied upon specific external funding that is no longer available.

While this clarification is understandable given current resourcing constraints, shareholder councils may wish to continue discussions regarding how regional leadership and oversight of key regional strategies will be maintained over time.

*Future SOI development*

The Joint Committee paper signals a stronger strategic focus on the development of the 2027/28 SOI. Councils have requested earlier engagement to better align future economic development priorities with Long Term Plan development processes. A workshop involving shareholder representatives and the Northland NZ Board is scheduled to support this work.

This presents an opportunity for shareholders to further clarify expectations regarding funding transparency, district-level outcomes, infrastructure leadership, tourism benefits, reform readiness and organisational performance reporting.

The following table is comparison between FNDC’s request as input into the Northland NZ Statement of Intent and what has been included in the SOI.

| FNDC Feedback Theme | FNDC Request | Response in Final SOI | Assessment |
|---|---|---|---|
| District-level visibility and community value | Clearer articulation of how regional activity delivers value for Far North communities and improved district-level reporting. | Commitment to enhanced district-level illustrations and qualitative reporting to better demonstrate local outcomes | Substantially addressed |
| Funding transparency | Greater transparency around funding flows, distinction between operating expenditure and project funding, and visibility of future funding risks. | New funding and resource allocation section added showing shareholder investment, external funding and allocation across strategic pou | Largely addressed |
| Auditable KPIs and narrative reporting | Retain quantitative KPIs while supplementing with narrative reporting explaining outcomes achieved. | KPI framework retained and commitment made to strengthened qualitative reporting. | Fully addressed |

| FNDC Feedback Theme | FNDC Request | Response in Final SOI | Assessment |
|---|---|---|---|
| Clarify regional facilitator role | Reduce duplication and reinforce Northland NZ's role as a regional facilitator rather than direct delivery agency. | Significant revisions across the SOI emphasising facilitation, coordination, partnership and enabling functions. | Strongly addressed |
| Investment and Infrastructure | Greater clarity around investment attraction, project development and strategic impact. | Expanded investment attraction activity, investment pipeline, high-impact project focus and inward delegations function. | Strongly addressed |
| Primary Sector role | Clarify facilitation role and avoid duplication with sector organisations. | Revised focus on facilitation, land-use optimisation, water utilisation, tertiary partnerships and value-added opportunities. | Strongly addressed |
| Tourism and destination management outcomes | Stronger visibility of Far North outcomes and council tourism investment. | Additional references to i-Sites, parks, attractions and council tourism services. | Partially addressed |
| Events funding and district tourism benefits | Consideration of events funding and district-level destination benefits. | No specific events funding discussion or district-level tourism KPI framework identified. | Not clearly addressed |
| Māori economic development outcomes | Greater emphasis on outcomes and partnership quality. | Expanded narrative regarding readiness, capability and stages of Māori economic development support. | Largely addressed |
| Workforce development | Clearer articulation of workforce outcomes and partnership-based delivery. | Greater focus on NorthTec, Massey University, knowledge hub initiatives and workforce pathways. | Largely addressed |
| Te Rerenga leadership role | Clarify what "leading implementation of Te Rerenga" means. | Significant clarification provided. Te Rerenga positioned as the guiding vision document rather than a programme requiring a dedicated secretariat function | Strongly addressed |
| Governance assurance mechanisms | Consider stakeholder perception surveys involving government, iwi and industry partners. | No evidence this recommendation was incorporated. | Not addressed |
| Cyber security and organisational resilience | Clear governance expectations around cyber security and resilience risks. | No specific cyber security or organisational resilience measures identified in the SOI. | Not addressed |
| Local Government Reform considerations | Future consideration of economic development delivery arrangements as reform settings evolve. | Not incorporated into the current SOI, although the Mayor's letter acknowledged this was more appropriately considered through future SOIs and LTP processes. | Acknowledged but not incorporated |

## PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no direct financial implications arising from receipt of this report. Shareholder funding contributions to Northland NZ have been previously considered through Long Term Plan and Annual Plan processes.

The SOI includes forecasts based on continued shareholder funding contributions and allocations from the Investment and Growth Reserve. Approval of the SOI by shareholder representatives does not commit Far North District Council to future funding levels beyond those separately approved through Council budgeting and Long Term Plan decision-making processes.

**ĀPITIHANGA / ATTACHMENTS**

1. **Northland NZ SOI paper to 31 July 2026 Joint Regional Economic Development Committee - A5896909** ⇩

| | |
|---|---|
| **TITLE:** | **Northland NZ Limited: Statement of Intent 2026/27 - Final Document** |
| **From:** | Codie Mcintyre, Economic Policy Advisor and Darryl Jones, Economist |
| **Authorised by Group Manager/s:** | Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 24 July 2026 |

## Executive summary/Whakarāpopototanga

The purpose of this report is to present the Joint Regional Economic Development Committee (Joint Committee) with Northland NZ Limited's (Northland NZ) Board completed Statement of Intent (SOI) for 2026/27 **(Attachment 1)**. Along with the final SOI, Northland NZ have provided a cover letter highlighting general changes in the SOI, updates on the activities and Key Performance Indicators (KPI), as well as the introduction of a new financial information section **(Attachment 2)**. This letter is provided in response to the shareholder comments on the draft SOI 2026/27 sent on 1 May 2026 **(Attachment 3)**.

In accordance with section 65(2) of the Local Government Act (LGA) 2002, the Joint Committee must respond to the Board's completed SOI as soon as it reasonably can. The Joint Committee can either agree to the SOI; or refuse to approve the document and begin steps to modify the SOI following the requirements of clause 6 of Schedule 8 of the LGA 2002.

Staff recommend that the Joint Committee agree to the SOI 2026/27. Northland NZ has made a fair attempt to give incorporate the shareholder comments provided on the draft. Some of the comments not directly addressed through the SOI can be dealt with through other means, as suggested by Northland NZ, e.g. incorporating more detail in their quarterly reports, etc.

Northland NZ representatives will attend the meeting to provide any further comment and answer questions around the changes made between the draft and final SOI.

## Recommendation(s)

1. That the report 'Northland NZ Limited: Statement of Intent 2026/27 - Final Document ' by Codie Mcintyre, Economic Policy Advisor and Darryl Jones, Economist and dated 6 July 2026, be received.
2. That the Joint Regional Economic Development Committee agree to Northland NZ Limited's Statement of Intent 2026/27 as set out in Attachment 1 pertaining to item 6.2 of the 31 July 2026 Joint Committee Agenda.
3. That the Joint Regional Economic Development Committee hold a workshop discussion with the Board of Northland NZ on their Statement of Intent 2027/28 at the next meeting of the Joint Committee on 25 September 2026.

## Options

| No. | Option | Advantages | Disadvantages |
|---|---|---|---|
| **1** | Approve Northland NZ's SOI 2026/27 as set out in **Attachment 1**. | Provides certainty to Northland NZ regarding its programme of work and funding for 2026/27.<br><br>Allows Northland NZ to commence delivery | The SOI 2026/27 includes changes that were not explicitly requested by shareholders.<br><br>Does not allow the Joint Committee to give full |

| | | | |
|---|---|---|---|
| | | against the approved 2026/27 SOI without delay or funding constraints. | consideration to the additional changes Northland NZ have made to the SOI after the draft was provided to the Joint Committee.<br><br>Approval may be interpreted as acceptance of changes to the role of Northland NZ, particularly about the Investment and Infrastructure Pou. |
| **2** | Not approve Northland NZ's SOI 206/27 as set out in **Attachment 1**. | Provides an opportunity for unresolved shareholder concerns to be addressed before the SOI is endorsed.<br><br>Enables further discussion regarding unrequested strategic changes made by Northland NZ, including changes to the Investment & Infrastructure pou.<br><br>Creates an opportunity to seek improved transparency regarding resource allocation, activity-level funding and external funding leverage.<br><br>Reinforces the role of shareholders in setting strategic expectations for the organisation. | May delay finalisation of the SOI and create uncertainty regarding Northland NZ's delivery programme for 2026/27.<br><br>Most shareholder comments have already been incorporated in some form and further amendments may not materially alter delivery outcomes.<br><br>Some matters raised by shareholders may be more appropriately addressed through future reporting requirements, the 2027/28 SOI process, or shareholder direction rather than requiring amendment of the current SOI. |

The staff's recommended option is Option 1, the Joint Committee approve the SOI 2026/27 received from Northland NZ as set out in **Attachment 1**.

Northland NZ have attempted to incorporate the Joint Committee's comments on the draft SOI into the final SOI and this will enable them to continue operating without any uncertainty or constraints.

Further. as the next SOI for 2027/28 will be important for preparation of councils' Long Term Plans, and is also an opportunity for any major reset of Northland NZ's direction as per the Joint Committee practice, staff recommend that the Joint Committee engage in a workshop discussion with the Northland NZ Board at the next Joint Committee meeting on 25 September on this matter.

## Considerations

1. **Alignment to council strategic direction - community outcomes**

   The matters covered in this report relate to the following long term outcomes:

| | |
|---|---|
| ☐ Protected and flourishing native life | ☐ Healthy waters, land and coast |
| ☐ Resilient and connected communities | ☒ A thriving and innovative economy |
| ☐ Meaningful partnerships with tāngata whenua | ☐ Regional leadership – future focussed, delivering excellence and affordability |

2. **Climate Impact**

   The decision does not have any climate change risks or negative impacts. At an organisational level, Northland NZ remains committed to supporting Northland businesses to meet national climate adaptation targets.

3. **Environmental Impact**

   The decision does not have any environmental risks or negative impacts. Northland Inc's SOI 2026/27 incorporates environmental sustainability into its vision and as a specific "enabler," with an associated KPI.

4. **Community views**

   The community have not been specifically consulted with regarding the development of the latest Northland NZ SOI. Northland NZ's objectives and activities were included in the shareholder councils' proposed Long Term Plan 2024-2034 consultation documents, and the final SOI only has minor variations from this.

5. **Māori impact statement**

   Northland NZ's SOI 2026/27 continues to place a focus on strategic partnerships in the Māori Economic Development space to drive delivery on high impact Māori economic development projects across all levels. Within the latest SOI, Northland NZ commits to supporting Māori Economic Development, building and enhancing relationships with whānau, hapū, and iwi, and supporting Māori enterprises and collectives.

6. **Financial implications**

   Northland NZ have incorporated a level of funding from shareholders (being an allocation from the IGR and termed "CCO Opex" in the SOI) for 2026/27, 2027/28 and 2028/29 that aligns with the shareholder expectations. The uncertainty relating to WDC's long term commitment to remain a shareholder of Northland NZ and providing a financial contribution to the IGR in line with the commitment made by the other two district councils makes it difficult to budget for these two latter years.

   Agreeing to the SOI 2026/27 does not commit the Joint Committee to providing the level of operation funding in 2027/28 and 2028/29 as set out in the SOI 2026/27. That commitment will come as part of agreeing to Northland Inc's SOIs in subsequent years. The Joint Committee has an opportunity to provide direction to Northland NZ on its expectations on an appropriate "CCO Opex" funding level for the SOI 2027/28 through a letter of expectations later this year.

7. **Implementation issues**

   Northland NZ is responsible for implementing its SOI. The Joint Committee does not provide any direction to Northland NZ on how the operational funding is spent across the work programmes. It is up to the Board of Northland NZ to prioritise the allocation of the operation funding across the work programmes. The Joint Committee will receive a report each quarter from Northland NZ on progress made in achieving the performance measure targets.

**8. Significance and engagement**

In relation to section 79 of the LGA 2002, this decision is considered to be of low significance when assessed against Northland Regional Council's Significance and Engagement Policy because it is provided for in councils' Long Term Plans 2024-2034 and previous decisions of council to set up Northland Inc Limited as a joint council-controlled organisation. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that the Joint Committee can make decisions relating to this matter without undertaking further consultation or engagement.

**9. Policy, risk management and legislative compliance**

This decision is consistent with policy and legislative requirements, and no significant corporate risks are identified under Northland Regional Council's Risk Management Policy. Under section 65(2) of the LGA 2002 the Joint Committee must agree to Northland Inc's SOI, or if it does not agree, takes steps to require the SOI to be modified. These steps are set out in clause 6 of Schedule 8 of the LGA 2002 and include the need for shareholders to consult with the Board before passing any resolutions requiring the Board to modify the SOI.

## Background/Tuhinga

In February 2026, Northland NZ provided a draft SOI 2026/27 to the Joint Committee. Northland NZ's draft SOI was received within the time requirement set out in the Schedule 8 of the LGA 2002, i.e., on or before 1 March. The draft SOI 2025/26 was formally received at the Joint Committee meeting on 6 March 2026, with the shareholder comments on the draft SOI agreed at the Joint Committee meeting on 24 April 2026 **(Attachment 3)** and sent to Northland NZ on the 1 May 2026. A completed SOI 2025/26 was provided to the Chair on 25 June 2026, prior to the statutory deadline outline in Schedule 8 of the LGA 2002 (1 July.)

Officers have reviewed Northland NZ's SOI 2026/27 and can confirm that it complies with the requirements of Schedule 8 of the LGA 2002. The final SOI has also been reviewed against the Joint Committee's shareholder comments **(Attachment 4)**. Northland NZ have considered these comments and have made a range of changes to the context, activities and KPI's of some of the Pou and enablers. In addition to the changes requested by the Joint Committee through its shareholder comments, the final SOI has a couple of minor changes that were not explicitly requested by the shareholders.

Table 1 outlines the major unrequested change, as it relates to the Strategic Pou 1: Investment and Infrastructure, and provides comment and possible actions that could be taken by the Joint Committee. It is also important to note that the following further nuanced changes were made, with more discussion on these occurring in **Attachment 4**:

- ***Enabler 1: Advocacy and Brand-*** Shareholders supported Northland NZ taking a leadership role in implementation of Te Rerenga and asked for clarification of Northland NZ's implementation role rather than a reduction in responsibility. The final wording related to Te Rerenga in the activity section appears to reposition Northland NZ from implementation lead to a stewardship/alignment role and changes the intent of Te Rerenga away from a regional strategy to a vision document.
- ***Enabler 5: Workforce and Education-*** While the final SOI responds to shareholder concern regarding duplication and partnership-based delivery, it also substantially refocuses the enabler towards the primary-sector workforce development. This narrowing of scope was not specifically requested by shareholders.

*Table 1: Unrequested Changes to Northland NZ SOI 2026/27*

| Change | Draft SOI | Final SOI | Staff Comment |
|---|---|---|---|
| **Strategic Pou 1: Investment and Infrastructure** | Infrastructure forms a key component of this Pou, with numerous activities relating to the important role it plays in supporting economic activity and attracting investment, e.g.<br><br>Remain well informed on infrastructure challenges and opportunities;<br><br>Connect regionally and nationally to ensure equitable investment in infrastructure;<br><br>Support and facilitate the development of new and enabling infrastructure such as renewable energy, digital connectivity, roads, rails, hotels, and water. | Greater emphasis is placed on inward investment attraction, project pipeline development, investor matching, capital raising and sister-city/international relationships.<br><br>Several infrastructure related activities have been removed, with only "Advocate for, support and facilitate the development of new and enabling infrastructure such as renewable energy, digital connectivity, roads, rail, hotels, and water," remaining. | In our view, this represents a substantiative strategic shift in the focus of the Pou. It comes at a time when Northland NZ has funded the development of Regional Infrastructure Plan for the region and has been identified in the final draft as being the key organisation responsible for the delivery of the final version and ongoing implementation.<br><br>Infrastructure related activities have traditionally been a key role of EDA's, particularly in regions like Northland, where transport, water, digital connectivity and energy infrastructure can directly influence growth outcomes across priority sectors.<br><br>Infrastructure and economic development are also closely linked with infrastructure providing an enabling environment for economic growth by improving productivity, reducing operating constraints, supporting new development opportunities and business expansion and increasing the attractiveness of the region for private investment.<br><br>Given the scale of the change the Joint Committee may wish to seek clarification from Northland NZ on the rationale for removing several infrastructure-related activities and whether this reflects a deliberate change in organisational strategy.<br><br>The Joint Committee could request formal correspondence from Northland NZ, outlining their ongoing commitment to the development and implementation of the Northland Infrastructure Plan, as well as ensuring they stay connected and informed on the various infrastructure challenges and opportunities within the region. |

**Attachments/Ngā tapirihanga**

Attachment 1: Northland NZ Limited - Board Completed SOI 2026/27 ⇩

Attachment 2: Letter from Northland NZ accompanying Completed SOI 2026/27 ⇩

Attachment 3: Shareholder Comments on Draft SOI 2026/27 ⇩

Attachment 4: Staff assessment of Northland NZ responses to Shareholder Comments on draft SOI 2026/27 ⇩

Mō Te Tai Tokerau
Northland NZ

# Tauāki Whāinga
# Statement of Intent

2026/27 - 2028/29

# Contents

NĀ NGĀ TAI O TE TAI TOKERAU E WHAKATERE ANA I TE WAKA KI TE AO

# From the tides of Northland, our canoe sets forth to the world

KUPU WHAKATAI

# Introduction

1

The Board of Directors of Northland NZ Limited (Northland NZ) present this Statement of Intent (SOI) as a public declaration of the activities and intentions of Northland NZ in accordance with Clause 9 of Schedule 8 of the Local Government Act 2002 (the Act).

Northland NZ is a limited liability company, registered under the Companies Act 1993, a reporting entity for the purposes of the Financial Reporting Act 1993. It is jointly owned by Far North District Council (FNDC, Kaipara District Council (KDC, Northland Regional Council (NRC), and Whangarei District Council (WDC), herein referred to as the 'Shareholders'. Northland NZ is a council-controlled organisation (CCO) as defined under Section 6 of the Local Government Act 2002.

This SOI is the guiding governance tool and terms of reference for Northland NZ and defines the key performance indicators (KPIs) as agreed by the Shareholders. It outlines the Directors' accountabilities to the Shareholders for the performance of the business.

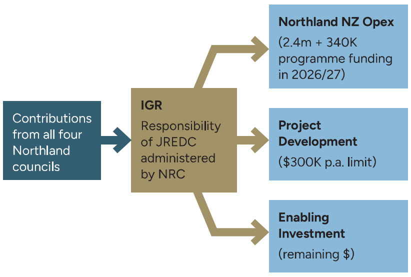
The Shareholders of the CCO (the four councils of Northland) collectively oversee the SOI and appoint directors as shareholder representatives.

The organisation is governed by a board of five independent directors appointed for three years (or as otherwise specified from time to time by the Shareholders). The Board Chair is elected by the directors. The Chief Executive Officer leads the operational activities.

Northland NZ is funded by an annual contribution from the Shareholders which supports the operational activities of the organisation.
Project-based funding is obtained through other public and private agencies, with central government being the next largest funder of Northland NZ.

Northland NZ is funded from a number of sources – shareholder contributions, Central Government (generally under specific contracts) and other sources (usually project based and time limited).

Shareholder contributions are funded into the Investment and Growth Reserve (IGR) which is the responsibility of the shareholder councils through the Joint Regional Economic Development Committee (JREDC) and is administered by NRC.




For the FY 2026/27, contributions in total from all Shareholders to the IGR are $3.35M. Of this, the allocation to Northland NZ's core OpEx is around $2.8M (including outlays for inward delegations support to the four Councils) – with the balance for project development and enabling investment initiatives.

The majority of funding (62%) is provided by NRC (the original sole shareholder of Northland NZ), with the other three councils contributing to the 38% balance based on population size or as may have been agreed. For the 2026/27 year, WDC contributes 18%, FNDC 15% and KDC 5%.

The total budget for Northland NZ for 2026/27 is around $4M. The remainder of budget comes from central government contracts, private sector funding and commercial serviced offices run by Northland NZ - The Orchard in Whangārei and Mahinga Innovation Centre at the Ngawha Innovation Park near Kaikohe. The funding split is therefore 70% shareholder investment and 30% other funding sources.

Northland NZ understands the dynamics of our region; its challenges and opportunities and what needs to be done to transform our economy and our communities. Central to this is ensuring alignment with regional statements and leadership forums.

Northland NZ focuses on regional reach and is set up to prioritise regional benefit and serve the region as a whole.

It aims to provide vision, aspiration, leadership and unity-of-purpose in sustainable economic development for Te Tai Tokerau Northland.

Te Rerenga, Taitokerau Northland Economic Wellbeing Pathway sets a long-term intergenerational vision for a sustainable, innovative, and prosperous economy focusing on the wellbeing of people, the economy, and the environment.

The Regional Deal framework facilitated by Northland NZ on behalf of Shareholders outlines more immediate strategic priorities, priority sectors and specific projects for the region as well as the critical infrastructure enablers required to achieve economic growth.

Northland NZ will work with key industry sectors in Northland to address market failures, facilitate value-added activities and value chain improvements, increase exports, and provide business, job and investment opportunities.

Northland NZ's strategy and work aligns with the Northland Mayoral Forum goals. The Forum is committed to strategically collaborating to take Te Tai Tokerau Northland forward together and identified six regional priorities which underpin Northland NZ's work:

- Connecting Northland – multi model transport system
- Infrastructure resilience and climate change
- Northland as a regional economic hub – including Marsden Point / Ruakākā and Kaikohe
- Housing and associated infrastructure
- Restoring the health of the environment
- Local Government as a trusted partner with central government

Northland NZ acknowledges that Northland's Councils have made commitments to their communities through long-term plans, annual plans, spatial plans and policies. At its core, regional economic development is about improving the livelihoods of Te Tai Tokerau Northland's people. Therefore, Northland NZ makes a commitment to work in alignment with the plans and policies of our Shareholders, in their districts to ensure the same positive outcomes for Te Tai Tokerau Northland.

TE POU MAHI

# Vision and Mission

2

Northland NZ works with public and private organisations in Te Tai Tokerau Northland with a common purpose to identify and focus on activities and relationships that strengthen, diversify, and grow Te Tai Tokerau Northland's economy.

TIROHANGA KI MUA

## Vision

A prosperous and thriving Te Tai Tokerau Northland that is built on a shared history and that values tāngata (people), te taiao (environment), and ōhanga (prosperity for all).

TE ARONUI

## Mission

To make purposeful economic development impact that builds resilience and improves the prosperity, wellness and equity of Te Tai Tokerau Northland.

# Organisational Objectives, Activities and Key Performance Indicators

3

The following pages provide the context, the objectives, nature and scope of activities and the key performance indicators for the enablers and strategic pou that make up the organisational strategy. Enablers are core, supporting or contracted activities while 'Pou' are areas that Northland NZ will be prioritising effort in.

**There are four priority areas (pou)** – Investment and Infrastructure, the Primary Sector, Tourism and Destination Management, Innovation and Enterprise.

1. Investment and Infrastructure
2. The Primary Sector
3. Tourism and Destination Management
4. Innovation and Enterprise

**There are six enablers -** Advocacy and Brand, Māori Economic Development, Environmental Sustainability, Partnerships, Organisational Culture and Capability and Workforce and Education. These enablers are part of Northland NZ's 'business as usual' (BAU) and supports our activities over a range of sectors and initiatives.

1. ADVOCACY AND BRAND
2. MĀORI ECONOMIC DEVELOPMENT
3. ENVIRONMENTAL SUSTAINABILITY
4. PARTNERSHIPS
5. ORGANISATIONAL CULTURE & CAPABILITY
6. WORKFORCE AND EDUCATION

Each section includes Regional Outcomes (often macro-economic), which do not form part of the direct and measurable performance framework. These are the longer-term regional-scale outcomes that we hope to influence as part of our collective approach to regional economic development. Many are outside of our direct control, but the work Northland NZ does contributes to their outcomes.

We are guided by economic models that focus on creating a society that can provide enough materials and services for all, while utilising resources in a way that does not compromise our future security and prosperity. They emphasise connecting people to their local environment and hold space for indigenous knowledge. Their social foundation and ecological approach aim to enable a system-shift to a more collaborative, distributive, circular and regenerative future.

STRATEGIC POU 1

# Investment and Infrastructure

## Objective

Grow investment and infrastructure support into strategic sectors such that regional economic activity improves consistently year on year.

## Context

Although underpinned by primary production and manufacturing, Te Tai Tokerau Northland's economy is diverse. High-performing sectors include pastoral farming and processing, horticulture, tourism, and marine manufacturing. There is huge potential to further strengthen these areas, in addition to other emerging industries.

## Activity

- Northland NZ will strategically focus on attracting, nurturing, and evaluating a pipeline of promising investment opportunities that align with our high impact framework and reflect the organisational capacity at any time. We will credibly and proactively link projects with private investment, Councils and Government and assist in de-risking key projects;
- Develop a pipeline of key projects for local and inward investment, identify sources of private sector and government sector capital for them and selectively match investors and capital with those projects;
- Utilise the Investment and Growth Reserve Project Development Fund to selectively undertake feasibility and business case analysis to facilitate local investment opportunities;
- Actively support and facilitate investment into strategic sectors (aquaculture, agriculture and horticulture, digital, tourism products and infrastructure, marine manufacturing);
- On behalf of the four Northland councils provide an inward & outward delegations facilitation service in the investment and export areas – particularly as they relate to domestic and international inward investment, and foreign government and sister city relationships that have the potential to support the economic growth of Northland.
- Advocate for, support and facilitate the development of new and enabling infrastructure such as renewable energy, digital connectivity, roads, rail, hotels, and water;
- Credibly and proactively advocate into Central Government Northland's key priorities.

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Output** | Number of inward delegations hosted | **3 per annum** |
| **Outcome** | Number of high impact projects that are being actively supported | **4 per annum** |

## Additional Regional Outcomes Sought

Positive change in regional economic profile (increase in average household income, productivity, structure of economy).

Increase in level of government investment into the region (where possible breakdown by co-investment, sector and research / tertiary activity).

Increase in the number of filled jobs in the region.

Te Rerenga Outcomes – Our Economy:

- Productivity (GDP per worker) 2040 Target – **increase productivity by 1% in real terms**
- Economic Diversity (HH Index) 2040 Target – **reduction in HH Index to less than 20**
- Underutilisation rate 2040 Target – **reduce to less than 10%**
- Young people actively engaged in employment, education and training 2040 target – **no less than 95%**
- Annual mean income from salaries and wages 2040 target – **Increase 1% per annum in real terms**
- Businesses (number of units) 2040 target – **growth at least equal to population growth**
- Business capital Index 2040 target – **growth in private sector 1% per annum**

STRATEGIC POU 2

# The Primary Sector Tuputupu - Grow Northland

## Objective

Support and facilitate adaptation and innovation in Te Tai Tokerau Northland's primary and associated manufacturing sectors to ensure the people and environment of Te Tai Tokerau Northland can thrive into the future.

## Context

Te Tai Tokerau Northland's economy has long depended on the economic returns and employment opportunities created by the primary and associated manufacturing sectors. In the Tuputupu – Grow Northland framework, the primary sector encompasses pastoral and arable farming horticulture, aquaculture, and forestry. The changing environment is demanding that we as individuals, as landowners, and as business owners adapt, which brings a number of significant challenges. Adaptation and innovation in the primary and associated manufacturing sectors is critical to ensure the people and the environment of Te Tai Tokerau Northland can thrive into the future.

## Activity

- Facilitate and co-ordinate adaptation and innovation in Te Tai Tokerau Northland's primary sector around land use optimisation and transformation through to commercialising new agri-business opportunities for domestic and export markets;
- Support land use transformation in key areas such as the uptake and utilisation of water schemes across the region;
- Support primary sector education services and research through facilitation and engagement with selected Northland focused tertiary education providers;
- Facilitate and enable proposals for in-region primary sector value-add aligned commercialisation and value-added manufacturing investment;
- Support the Ngawha Innovation and Enterprise Park;
- Develop collaborative engagements across central and local Government, national and regionally based sector organisations; landowners and supply chain enablers;
- Advocate for world-class food and fibre businesses to be based in and develop out of Te Tai Tokerau Northland

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Outcome** | Projects assisted through stages of growth | **6 per annum** |
| **Outcome** | Number of businesses and landowners that as a result of engagement are exploring, developing, leading and delivering on change activity | **24 per annum** |

## Additional Regional Outcomes Sought

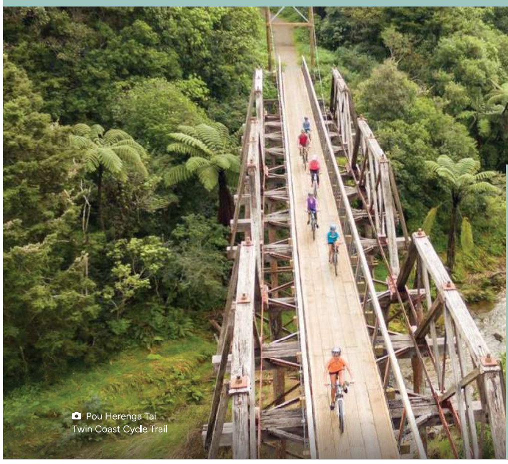
Positive change in regional economic profile - living standards, productivity and contribution of primary sector to the economy.

**Te Rerenga Outcomes – Our Economy:**

- Productivity (GDP per worker) 2040 Target **– increase productivity by 1% in real terms**
- Economic Diversity (HH Index) 2040 Target **– reduction in HH Index to less than 20**
- Underutilisation rate 2040 Target **– reduce to less than 10%**
- Young people actively engaged in employment, education and training 2040 target **– no less than 95%**
- Annual mean income from salaries and wages 2040 target **– Increase 1% per annum in real terms**
- Businesses (number of units) 2040 target **– growth at least equal to population growth**
- Business capital Index 2040 target **– growth in private sector 1% per annum**

STRATEGIC POU 3

# Tourism and Destination Management



 Pou Herenga Tai
Twin Coast Cycle Trail

## Objective

- Support Te Tai Tokerau Northland's visitor industry through delivery of destination management and marketing activity that aims to better manage the impacts of visitation, improve the distribution of benefits and enhance our region's, heritage, and culture.
- Position Te Tai Tokerau Northland within target markets as a desirable place to visit.

## Context

Tourism is integral to economic development in Te Tai Tokerau Northland and can be strategically utilised to achieve wider economic development outcomes. Destination Management provides the platform for enabling this to occur through ensuring that an integrated approach is taken across the three interdependent components of:

- Visitor experience - the destination's experience offering, including activities, attractions, supporting infrastructure, services and amenities;
- Marketing and promotion - the destination's marketing and promotional activity, creating demand and enabling the destination to be competitive, productive and sustainable;
- Resource management and development.

## Activity

- Lead the Destination Management Plan (DMP) in partnership with relevant stakeholders, industry, iwi and hapū;
- Facilitate regional investment through sector collaboration groups, marketing the region nationally and internationally, and providing targeted business support for tourism operators;
- Play a key role in attracting direct investment into the region for infrastructure to support tourism and support the development of sustainable pathways for businesses operating in the region;
- Honour Māori storytelling traditions by supporting stories told by those who have the right to tell them. A strong partnership approach with iwi, hapū, Māori tourism operators and landowners are the basis for growing this portion of the market;

- Improve regional dispersal, length of stay, expenditure, and the appeal of off-peak travel particularly through leveraging the Twin Coast Discovery programme as a regionwide development framework for tourism;
- Coordinate, and where appropriate, lead the implementation of an Annual Regional Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations and in partnership with the Te Tai Tokerau Northland tourism sector;
- Work closely with shareholder Councils to align destination marketing, and leverage RTO and Council activities to gain efficiencies and joint outcomes; and to support promoting Council provided tourism services such as i-Sites, parks and local attractions.

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Output** | Number of destination marketing campaign initiatives to generate national exposure to the region (reporting will include number of businesses that are engaged in the campaign). | **1 campaign per annum** |
| **Outcome** | Number of Destination Management Plan initiatives completed in partnership with stakeholders | **8 per annum** |

## Additional Regional Outcomes Sought

Dispersal of tourism activity into the region measured through the accommodation data programme.

Tourism activity in the region measured through TECT (electronic transactions indicating tourism spend).

**Te Rerenga Outcomes – Our Economy:**

- Productivity (GDP per worker) 2040 Target **– increase productivity by 1% in real terms**
- Economic Diversity (HH Index) 2040 Target **– reduction in HH Index to less than 20**
- Young people actively engaged in employment, education and training 2040 target – **no less than 95%**
- Annual mean income from salaries and wages 2040 target **– Increase 1% per annum in real terms**
- Business capital Index 2040 target – **growth in private sector 1% per annum**
- Māori Unemployment rate 2040 target **– Decrease to 5%**

STRATEGIC POU 4

# Innovation and Enterprise


## Context

Business growth is crucial for Te Tai Tokerau Northland's economy as it creates jobs, increases revenue, fosters innovation and competition, benefits the supply chain, diversifies the economy, and enhances the quality of life for residents. It also creates a ripple effect in the supply chain, benefiting other local businesses.

Whatever size or stage a business is at, Northland NZ has tools and resources to help. Our role is to support businesses on their journey.

This might include employing more staff, setting up scalable business processes, identifying new finance options or exploring the export potential of products. We can also help activate innovation, accelerate commercialisation, develop new and innovative products, processes, or services, or supporting established Research and Development (R&D) programmes.

Northland NZ does this in a number of ways – delivering the Government's Regional Business Partner Network programme in partnership with the Te Hiringa Trust to reach out to Māori businesses; hosting our own regional start up competition 'The Pick'; supporting local startup and acceleration initiatives; and closely engaging with other Māori business organisations such as the Whāriki Business Network and Amotai.

## Objective

Support small to medium enterprises (SMEs) and start-ups who want to start or grow their business in Te Tai Tokerau Northland.

## Activity

- Work with Government and other stakeholders to deliver funding, innovation, R&D and business support programmes into Te Tai Tokerau Northland;
- Contribute towards a more innovative, digital and technologically advanced environment that supports our core and developing industries;

- Deliver business advice effectively across the region to support innovation, capacity and capability development through start up programmes and by delivering the Government's the Regional Business Partnership services.
- Develop clusters, business networks or associations to take advantage of market development opportunities that leverage Te Tai Tokerau Northland's key sectors and comparative advantages;
- Build and share specialist knowledge through a business events programme and provide opportunities to access a range of capital support mechanisms for Te Tai Tokerau Northland businesses.

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Output** | Number of business engagements assisted (includes both one to one and one to some assistance and reporting by TA and Industry) | **250 per annum** |
| **Output** | Number of business engagements that are Māori (by TA and Industry) equivalent to 35% of target engagements. | **86 per annum** |
| **Outcome** | Client satisfaction with businesses assistance provided by Northland NZ and measured by Net Promotor Score | **Annual net promoter score >50** |

## Additional Regional Outcomes Sought

Positive change in regional economic profile (living standards, productivity, structure of economy).

Increase in the number of filled jobs in the region.

Sustaining the number of business units in the region.

Te Rerenga Outcomes – Our Economy:

› Productivity (GDP per worker) 2040 Target – **increase productivity by 1% in real terms**

› Economic Diversity (HH Index) 2040 Target – **reduction in HH Index to less than 20**

› Underutilisation rate 2040 Target – **reduce to less than 10%**

› Annual mean income from salaries and wages 2040 target – **increase 1% per annum in real terms**

› Businesses (number of units) 2040 target – **growth at least equal to population growth**

› Business capital Index 2040 target – **growth in private sector 1% per annum**

› Māori Unemployment rate 2040 target – **decrease to 5%**

ENABLER 1

# Advocacy and Brand

## Objective

- Advocate for Te Tai Tokerau Northland to improve the economic well-being of the region, helping to support strong communities and environmental sustainability.
- Develop and improve the profile of economic development and of Northland Inc to ensure that Te Tai Tokerau Northland understands and values the efforts of Northland NZ.

## Context

Advocacy efforts help promote Te Tai Tokerau Northland as an attractive destination for investment, tourism, and talent. By showcasing the region's unique assets, such as its natural beauty, Māori culture, heritage, and business opportunities, Northland NZ can attract interest and support for the region's economic development.

Advocacy also helps Te Tai Tokerau Northland unify its voice and strengthen its relationship with Central Government by bringing the region together and seeking support for infrastructure, programmes, and funding. Northland NZ is seen as a trusted channel to Central Government, and for Central Government to provide industry and business support into the region.

A strong brand identity helps distinguish Te Tai Tokerau Northland from other regions, creating a positive perception and reputation. This can attract businesses, investors, tourists, and skilled workers who are aligned with Northland's values and offerings.

A strong organisational brand and reputation positions Northland NZ regionally and nationally as a unique effective entity able to support the region.

## Activity

- Be proactive and well informed on both the challenges and opportunities in Te Tai Tokerau Northland and is acknowledged as regional leader in impactful economic development;
- Be a respected voice for the region and a credible source for central and local Government to understand the regional context and to prioritise investment, policy settings and decisions on key economic opportunities;
- Use powerful communications and a well-connected network to improve the reputation and visibility of the region while advocating for its needs;
- Lead and encourage the utilisation of Te Rerenga, Taitokerau Northland Economic Wellbeing Pathway as the vision document for Northland - of which other specific project-based plans and activity develop from (e.g. Regional Deal proposals, Regional Infrastructure Plans, High Impact Projects supported by Northland NZ), and provide economic development intelligence and insights in conjunction with local Council staff;
- Assist with project management and delivery of economic response activities.

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Output** | Number of regional economic development updates or reports released | **6 per annum** |
| **Output** | Number of media features that profile the region | **24 per annum** |
| **Output** | Number of media activity that references Northland NZ | **52 per annum** |

## Additional Regional Outcomes Sought

Active support from Central Government and other partners into Northland.

Positive change in the profile of economic development and Northland NZ.

Sustaining the number of business units in the region.

**Te Rerenga Outcomes – Our Economy:**

- Productivity (GDP per worker) 2040 Target – **increase productivity by 1% in real terms**
- Economic Diversity (HH Index) 2040 Target – **reduction in HH Index to less than 20**
- Annual mean income from salaries and wages 2040 target – **increase 1% per annum in real terms**
- Businesses (number of units) 2040 target – **growth at least equal to population growth**
- Business capital Index 2040 target – **growth in private sector 1% per annum**

ENABLER 2

# Māori Economic Development

## Objective

Assist strategic partners in the Māori Economic Development economy with their high impact Māori economic development projects across all levels, with a specific focus on improving capacity and capability of those with whom we partner with for delivery.

## Context

The regional aspiration is to establish an equitable economic platform which enhances Māori participation in the Te Tai Tokerau Northland economy and enables whānau, hapū and iwi to be economically secure and to grow their wealth.

We are focused on building and enhancing our Māori relationships in Te Tai Tokerau Northlnd to identify opportunities which deliver sustainable economic growth for our whānau, hapū and iwi. We support 'by Māori for Māori' initiatives which recognise the mana motuhake of Māori enterprises and collectives to lead their own economic success.

This is achieved by supporting Māori organisations across all partnership activities, to reach Māori business initiatives – such as supporting the Whāriki Māori Business Network, partnering with Amotai to promote procurement opportunities for Māori suppliers, promoting Māori tourism products, engaging with Māori land owners, reaching out to Māori startups to participate in Northland NZ's regional start up competition 'The Pick', and supporting qualifying Māori projects that are ready, through our Project Development feasibility fund.

Our approach is guided by each Māori business or entities' own operational stage of growth, mandate for engagement, and individual readiness for economic development activity; as well as their own readiness to engage with Northland NZ.

## Activity

Respect and implement the principles of Te Tiriti o Waitangi, which support meaningful partnership with Māori by:

- Supporting tangata whenua to develop and implement their own visions and economic development plans;
- Partner with Māori organisations to deliver services to Māori businesses[1];
- Connect into existing local and national Māori Economic Development activity and strategies that will support Te Tai Tokerau Northland;
- Engage and partner with iwi, hapū, marae and the Māori community, Central Government agencies and other entities supporting Māori Economic Development to advance their aspirations in economic development and enable investment, business growth and completion of economic development projects;
- Work with, advocate for and support Māori businesses, trusts and entities with their aspirations for growth;
- Engage with the Ministry of Business, Innovation and Employment on the continual improvement of the RBP delivery into the Māori economy, and with other relevant Government agencies supporting Māori economic development.

## Key Performance Indicators

| | | TARGET |
|---|---|---|
| **Output** | Number of iwi/hapū groups, Māori organisations, Māori businesses and Māori economic support entities assisted to further their own economic development aspirations | **2026/27 :22**<br>**2027/28: 24**<br>**2028/29: 24** |
| **Outcome** | Proportion of Māori organisations satisfied with Northland NZ's support to advance their economic development objectives and outcomes | **>80%** |

## Additional Regional Outcomes Sought

Reduction in Māori unemployment rate in Northland.

Positive change in the profile of economic development and Northland NZ.

Te Rerenga Outcomes – Our Economy:

- Productivity (GDP per worker) 2040 Target – **increase productivity by 1% in real terms**
- Economic Diversity (HH Index) 2040 Target – **reduction in HH Index to less than 20**
- Underutilisation rate 2040 Target – **reduce to less than 10%**
- Young people actively engaged in employment, education and training 2040 target – **no less than 95%**
- Annual mean income from salaries and wages 2040 target – **increase 1% per annum in real terms**
- Businesses (number of units) 2040 target – **growth at least equal to population growth**
- Business capital Index 2040 target – **growth in private sector 1% per annum**
- Māori Unemployment rate 2040 target – **decrease to 5%**

ENABLER 3

# Enviromental Sustainability


## Objective

Help Te Tai Tokerau Northland businesses achieve environmental sustainability; through partnerships that provide support and practical programmes.

## Context

In Te Tai Tokerau Northland, as our export economy is predominantly biologically based our long-term economic wellbeing is more reliant on the environment than other regions. The environment plays a critical role in supplying our needs for resources, food, energy, water, recreation and cultural connections, and as such, a polluted or degraded environment has public health, economic, and social consequences.

Pursuing environmental sustainability initiatives that give focus to reducing the impact on the natural environment can make a business more efficient long term and less costly to run. Furthermore, global export markets are now demanding imports comply with climate and carbon reporting standards as they seek to achieve their national commitments on climate action. Careful consideration and planning for climate change adaptation is also key for ensuring the sustainability of businesses within the region over time. We also face ongoing fuel supply challenges so local resilience, energy efficiency and options beyond traditional fuel sources become critical.

## Activity

- Support Te Tai Tokerau Northland businesses to meet climate adaptation targets set by central Government through access to appropriate information and tools such as supporting and encouraging EECA initiatives, tourism environmental positioning for customer segment positioning (e.g. our Tourism Carbon Footprint Project), and/or our on-farm solar programme focusing on resilience;
- Partner to provide support to businesses with practical programmes;
- Use an environmental sustainability focus for all active projects;
- Utilise te ao Māori/mātauranga Māori in environment/sustainability kaupapa;
- Have environmentally sustainable business practices within Northland NZ.

## Key Performance Indicators

| Key Performance Indicators | | TARGET |
|---|---|---|
| **Output** | Number of business and organisations supported to improve their environmental sustainability. | **2026/27: 40**<br>**2027/28: 50**<br>**2028/29: 50** |

## Additional Regional Outcomes Sought

Reduction in Māori unemployment rate in Northland.

Positive change in the profile of economic development and Northland NZ.

**Te Rerenga Outcomes – Our Environment:**

› Freshwater quality index 2040 Target – **improve**

› Swimming quality 2040 Target – **improve**

› Air Quality 2040 Target – **maintain air quality**

ENABLER 4

# Partnerships

## Objective

Develop and nurture high trust partnerships across the region with those who have the capability to positively impact economic development outcomes across Te Tai Tokerau Northland.

## Context

Partnerships are essential in economic development as they enable organisations to leverage each other's strengths, resources, and networks to achieve shared goals and drive economic development. As a region, we recognise the importance of combining our efforts to achieve the best results and overcome the challenges we face.

## Activity

- Northland NZ is a trusted and valuable organisation to partner with that develops initiatives that have visible and measurable impact and generate positive economic development outcomes;
- Expand these partnerships leading to increased opportunities and resilience, creating a stronger, interconnected region;
- Develop and maintain high trust partnerships with stakeholders who impact economic development outcomes across Te Tai Tokerau Northland;
- Northland NZ is embedded within a network of relationships that bring capabilities and contributions to key projects with shared interests;
- Partnership activity spread across central government, local government, business communities, investors and other stakeholders.

Note: KPI's and Regional Outcomes covered by other sections.

ENABLER 5

# Organisational Culture and Capacity


## Context

Upholding a culture of respect and support within Northland NZ is crucial for fostering employee wellbeing, team cohesion, and organisational reputation. A positive internal culture maintains morale, motivation, and productivity among employees, leading to better outcomes for the organisation.

It also helps attract and retain top talent, strengthens relationships with stakeholders, enhancing our reputation as a supportive and respected organisation.

## Objective

Uphold a culture where we are respectful, and supportive of one another; our histories, our whānau, our aspirations and development journey.

## Activity

Our culture is supportive, encouraging and positive - supporting our people and their livelihoods. Our capability is performance-focused, fit for purpose and within the resource available.

- Have quality resources that support capability uplift in staff skills;
- Develop the capability to deploy impact or surge capacity in times of crisis or emergency response and have a strong network of operational partners that can activate as opportunity or needs arise;
- Stay well-connected across the region; understand our local economy and employ highly skilled networked people;
- Attract, retain and grow appropriate talent aligned to our culture and capacity needs;
- Maintain a culture of being performance and outcome driven, encouraging professional development, and personal wellbeing;
- Implement our internal capability pathway - He Korowai Manawanui – a programme of continuous cultural development that elevates the importance of Māori Economic Development and becoming a better partner for Māori with a genuine understanding of tikanga and te ao Māori;
- Build a competent team (Northland NZ and partners) that operates as Te Tiriti o Waitangi-based partners to support iwi, hapu, whānau and pakihi in achieving their economic development goals;

Note: KPI's and Regional Outcomes covered by other sections.

ENABLER 5

# Workforce and Education

## Objective

Support the development of a skilled and resilient workforce and workforce pipeline, to ensure our people match employment opportunities.

## Context

Education is fundamental to a thriving, prosperous, functioning society. It supports individuals to fully participate in and make positive contributions economically to their whānau and community. Education can improve people's employability and earnings and develops the workforce of the region to meet broader community aspirations. Workforce development and education enables innovation and exploration for economic development. Matching education needs with our economic growth aspirations and our population growth will help ensure that the workforce and education sectors are enablers.

Northland NZ's current focus is on education needs for the primary sector through our Tuputupu Grow Northland programme, to further develop skills as land transformation occurs. This includes working with NorthTec, Massey University and others to support skills development for primary sector economic growth

## Activity

Northland NZ is a trusted and valuable organisation to partner on initiatives that have visible and measurable impact, including:

- Supporting the development of the Knowledge, Education and Arts (KEA) Hub, recognising the potential benefits of an investment in education and workforce development;
- Facilitatating a Northland-centric approach with NorthTec, Massey University, local Central Government providers/support and other providers and partners to develop and provide courses, training, research programmes, and investment that will support economic growth and work-ready skills development in Northland, with a specific focus on the primary sector.

Note: KPI's and Regional Outcomes covered by other sections.

NGĀ HUA MŌ NGĀ KAIPUPURI

# Shareholders' Funds, Distributions and the value of Shareholders' Investment

4

Shareholders' funds (being retained surpluses plus share capital) 30 June 2025 was as follows:

| | **30 JUNE 2025** |
|---|---|
| Total Assets | $1,952,870 |
| Total Liabilities | $1,741,645 |
| Shareholders' Funds | $211,225 |
| Shareholders' Funds as % of Total Assets | 10.82 |

Northland NZ forecasts small surpluses year-on-year. Accordingly, Shareholders' Funds as % of Total Assets will remain approximately at this level.

Northland NZ is not required to make any distributions to its Shareholders.

The value of the shareholders' investment in Northland NZ is estimated by directors to be equal to current shareholders' funds being $211,085.

TE MANA WHAKAHAERE O TE POARI

# Governance

5

The Board will effectively represent and promote the interests of its Shareholders by seeking to fulfil its mandate as described above. The Board will discharge their duties in accordance with Northland NZ's Board Charter.

In undertaking its activities, Northland NZ will:

- Achieve the objectives of its Shareholders, both commercial and non-commercial as specified in this Statement of Intent;
- Demonstrate ethical and good behaviour in dealing with all parties;
- Achieve active partnerships with Māori, and other key stakeholders and ethnic groups within the region, promoting effective communication where appropriate;
- Comply with all relevant legislative requirements, including those relating to the principles of Te Tiriti o Waitangi;
- Maintain an open and transparent approach to decision-making with its Shareholders while respecting the need for commercially sensitive information to be protected;
- Be a good employer; and
- Hold itself to the highest standards of social and environmental responsibility.

The Board will adopt the following approach to its fiduciary responsibilities to ensure good governance:

- Prepare a 3-year SOI setting out its strategic goals for agreement with its Shareholders, as shareholder;
- Establish a clear business plan which reflects the agreed SOI;
- Establish a clear performance framework and job description for the Chief Executive Officer;
- Approval of detailed operating, capital and cashflow budgets;
- Attend regular meetings to review performance and progress towards set objectives and budgets; and
- Operation of appropriate Board subcommittees to appropriately manage Risk, Compliance, Remuneration and Board performance.

The Board believes regular communication with its Shareholders is important to ensure good governance. The Board and Chief Executive will use their best endeavours to communicate in a regular and timely manner and ensure that matters are raised so there will be 'no surprises'. Established processes will be maintained to ensure regular contact between the Board, management and its Shareholders, and informal meetings will be encouraged to ensure regular communication flows regarding matters of mutual interest.

NGĀ KAUPAPA HERE KAUTE

# Accounting Policies

6

The accounting policies that have been adopted are detailed in the company's latest audited financial statements A copy is included as Appendix A.

NGĀ KŌRERO HEI TUKU KI NGĀ KAIPUPURI

# Information to be provided to the Shareholders

7

Directors will formally report progress against the SOI to its Shareholders quarterly via a written report submitted within six weeks of the end of the 1st and 3rd quarters, and attendance at Joint Regional Economic Development Committee or Council(s) meetings thereafter as scheduled by Shareholders.

In compliance with Clause 66 of Part 5 of the Act the Directors will, within two months after the end of the first half of each financial year, deliver to its Shareholders an unaudited half year report containing:

- a Statement of financial Performance, Position and Cash flow as at the half year balance date;
- financial forecasts for the full year and comparison to approved budgets;
- commentary on progress to meeting performance targets and the expected year end position.

In accordance with Section 2 of Schedule 8 of the Act the Directors will deliver a draft SOI to its Shareholders as the shareholder by 1 March of each year for the subsequent three-year period.

In accordance with Section 3 of Schedule 8 of the Act the Directors will deliver a Board approved SOI to its Shareholders as the shareholder on or before the 30 June of each year.

In compliance with Clause 67 of Part 5 of the Act the Directors will, within three months of the end of the financial year, deliver to its Shareholders an audited Annual Report which meets the requirements of Section 68 and Section 69 of Part 5 of the Act In addition, the Annual Report is to contain a declaration by the Board as to the compliance with the Act and specifically that the requirements of Schedule 8 have been met.

NGĀ URUNGA, NGĀ WHIWHINGA ME NGĀ HOKONGA HOU

# New Entities, Aquisitions and Sales

8

Directors may not create any new legal entity, acquire shares or any equity interest in any existing legal entity or sell any interest held by Northland NZ without the specific approval of the Shareholders as the shareholder.

KIA RAPU PŪTEA I NGĀ KAUNIHERA MŌ ĒNEI TAKE

# Activities for which Local Authority Funding is Sought

9

Northland NZ reserves the right to seek compensation from time to time for the necessity to provide any service required by its Shareholders where funding has not been previously agreed.

WĒTAHI ATU TAKE

# Any Other Matters

10

Northland NZ can request its Shareholders hold a confidential meeting of the Joint Regional Economic Development Committee or Council(s) meeting for discussion about commercially sensitive matters, subject to this request meeting the requirements of section 7(2) of the Local Government Official Information and Meetings Act 1987. Any report submitted by Northland NZ for formal consideration by its Shareholders should be accompanied by advice from their management.

WHAKAMĀRAMATANGA-Ā-PŪTEA

# A Prospective Statement of Financial Performance

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## NORTHLAND NZ FORECAST PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE

| INCOME | ACTUALS 24/25 | BUDGET 25/26 | FORECAST BUDGET 26/27 | FORECAST BUDGET 27/28 | FORECAST BUDGET 28/29 |
|---|---|---|---|---|---|
| BAU | | | | | |
| CCO Opex | $2,245,000 | $2,400,000 | $2,469,000 | $2,406,000 | $2,552,000 |
| Delegations 2.5yr | - | - | $90,000 | - | - |
| Primary Programme | - | - | $250,000 | - | - |
| IGR Project Development | $175,000 | $110,000 | $110,000 | $220,000 | $300,000 |
| MBIE RBP | $369,063 | $369,063 | $369,063 | - | - |
| WDC | - | - | - | $110,000 | $110,000 |
| Orchard Income | $244,247 | $200,000 | $160,000 | $160,000 | $160,000 |
| Website Income | $15,000 | $15,000 | $7,000 | $7,000 | $7,000 |
| Other Income/Interest/gains | $72,996 | - | - | - | - |
| **Total BAU Income** | **$3,121,306** | **$3,094,063** | **$3,455,063** | **$2,903,000** | **$3,129,000** |
| BAU EXPENSES | | | | | |
| Investment - IGR Project Development | $40,000 | $110,000 | $110,000 | $220,000 | $300,000 |
| Business Grow - awards | $9,541 | $12,000 | $32,000 | $12,000 | $12,000 |
| RBP Partnership | $75,100 | $75,100 | $75,100 | - | - |
| The Orchard | $16,206 | $7,000 | $7,000 | $7,000 | $7,000 |
| Destinational Management & Marketing | $148,879 | $140,000 | $150,000 | $150,000 | $150,000 |
| Salaries | $1,734,005 | $1,840,116 | $1,944,277 | $1,618,932 | $1,741,211 |
| Overheads | $916,248 | $819,804 | $879,685 | $830,000 | $856,000 |
| **Total BAU Expenses** | **$2,939,978** | **$3,004,020** | **$3,198,062** | **$2,837,932** | **$3,066,211** |
| **Total Strategic Projects Income** | $2,357,141 | $750,000 | - | - | - |
| **Total Strategic Project Expenses** | $2,314,742 | $750,000 | $155,000 | - | $62,000 |
| **Total Income BAU & Strategic Projects** | $5,478,447 | $3,844,063 | $3,455,063 | $2,903,000 | $3,129,000 |
| **Total Expenses BAU & Strategic Projects** | $5,254,720 | $3,754,020 | $3,353,062 | $2,837,932 | $3,128,211 |
| **Total Net Surplus/Deficit** | **$223,727** | **$90,043** | **$102,001** | **$65,068** | **$789** |
| OTHER INCOME/EXPENSES | | | | | |
| Total NIEP Income | $207,561 | $310,000 | $310,000 | $140,000 | - |
| Total NIEP Expenses | $419,396 | $399,315 | $411,203 | $204,128 | - |
| **Total Net Surplus/Deficit Other Income/Expenses** | -$211,835 | -$89,315 | -$101,203 | -$64,128 | - |
| **Total Net Surplus/Deficit** | **$11,892** | **$728** | **$798** | **$940** | **$789** |

## Northland NZ Resource Allocation

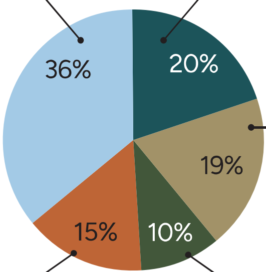
Northland NZ receives income from two main sources: 1) Shareholder contributions from the four Northland councils, and 2) from third party external funding for specific programmes e.g. from Central Government or the private business community, and from its own commercial activities – being two serviced offices Northland NZ has set up for start-ups and small businesses where they can rent individual desks or groups of desks, short or long term. These offices are The Orchard in Whangārei and Mahinga Innovation Centre at the Ngawha Innovation and Enterprise Park near Kaikohe.

For the Financial Year 2026/27 Northland NZ's funding is around 70% from the four shareholder councils and 30% from other funders.

| FUNDING SOURCE | AMOUNT |
|---|---|
| Council / shareholder operating investment* | $2,809,000 |
| Government contracts, commercial and external funding | $956,063 |
| Total resources deployed | $3,765,063 |
| Shareholders' Funds as % of Total Assets | 10.82 |

*includes fixed term projects

**Note:** The diagram below shows the allocation of organisational resources by strategic Pou. It includes staff capability, programme delivery, systems, facilities and shared organisational support. Commercial revenue and external provider contract-level funding are not separately disclosed for commercial and NDA reasons.




**Shared Regional Capability Platform –** the underlying administrative, governance, ICT and Māori Economic Development support structure to deliver the various enablers, programmes and business unit activities into Northland; and Northland NZ's commercial serviced office businesses of The Orchard (Whangārei) and Mahinga Innovation Centre (Ngawha Innovation Park).

**DMM – Destination Management and Marketing:** Destination management, international and domestic destination marketing, visitor economy, regional profile and tourism sector support.

**Investment & Infrastructure:** Investment attraction, critical infrastructure, high impact projects, project development business case analysis and inward delegations activity.

**Business Services & Innovation:** Business support, R&D and innovation, startups (The Pick business foundations programme) small business support capability building and the delivering Central Government's Regional Business Partner Network service in region.

**Primary sector:** Food & fibre, land-use opportunities, commercialisation and sector productivity initiatives.

APPENDIX A

NGĀ KAUPAPA HERE KAUTE

# Accounting Policies

## Statement of Accounting Policies

### BASIS OF PREPARATION

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ PBE IPSAS with RDR) and other applicable Public Benefit Entity Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large. The entity transitioned to PBE Standard Tier 2 from 1st July 2016.

The financial statements have been prepared accordance with the Local Government Act 2002, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP") [LGA 111].

The entity is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

### CHANGES IN ACCOUNTING POLICIES

Previously adopted Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). The impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

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25 June 2026

**NRC Cr Geoff Crawford**

**Chair Joint Regional Economic Development Committee**

*Sent via email.* Geoff.crawford@nrc.govt.nz

Dear Geoff,

*Ka mahara tonu tātou ki te hunga kua wehe atu ki te pō. Nā reira, kei ngā hou kōtuku kua whatia e te mate, e moe koutou i te anuanu, i te mātaotao, ā, kua tōkia ō koutou kiri e te tōmairangi, maranga rā kua mutu ngā mamaetanga o tēnei ao matemate. Ka tīkina atu ngā kupu nunui, haere ngā mate, haere, haere atu rā. Ka huri ki a tātou te hunga ora, tēnā koutou, tēnā koutou, tēnā tātou katoa.*

We are pleased to submit Northland NZ.'s Statement of Intent (SOI) for 2026/27- 2028/29. This document has been developed following consultation and feedback from JREDC, in particular your *Shareholder Comments* letter dated 1 May 2026.

We appreciate the constructive feedback and have considered it in developing this Statement of Intent. Below, we outline the key amendments and changes made to the draft SOI as a result of your input.

**Strategic Pou 1: Investment & Infrastructure**

> '*clearly articulate its role in inward investment attraction within the activities, including the need for this work to be proactive, well-coordinated and ensure that the development of an investment pipeline for the region aligns with strategic sectors and identified regional opportunities.* '

We have further clarified this section to outline our refocused direction on impactful activity – especially in the area of inward investment, identifying key projects that will generate growth and employment, and raising capital for them. This section also includes the new part-time inward delegations function for councils, which is funded as part of this budget.

**Strategic Pou 2: The Primary Sector**

*"Clarify our role as:*

a. *A cross-sector facilitator and regional coordinator- minimising duplication of services already delivered by organisations that levy farmers and growers.*
b. *Supporting land use transformation where regional leadership is required, e.g., in the uptake and utilisation of water schemes across the region.*
c. *Enabling value-added industry development as it relates to the primary sector."*

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We have highlighted our facilitation and co-ordination role, particularly in the area of land use transformation and highlighted. We have also clarified our commercialisation role for value-added industry development.

As articulated when we presented to JREDC, there are three main areas we are focusing on as priorities: 1) Land utilisation (focusing at the moment on Kaipara and activating the water in the dam), 2) Supporting and facilitating Massey University/NorthTec in their primary sector education initiatives to create educational pathways into the primary sector workforce 3) solar onto dairy farms for resilience.

Finally, we realigned the Key Performance Indicators with the actual work and refocused on the impact that we have underway. We increased the number of projects assisted to 4, and decreased the activity metric of the number of businesses to 16. This reflects the focus on actual project progress, e.g. through the key priority areas, rather than counting engagements.

**Strategic Pou 3: Tourism and Destination Management**

> *"council provided services be acknowledged more explicitly within the Tourism and Destination Management activity to better demonstrate how local and regional investment is aligned and mutually reinforcing in the sector."*

We have added comments around council-provided tourism services such as i-sites, parks and other supporting infrastructure to the Pou. The intent of this is to demonstrate local and regional alignment. Within our Special Interest Groups/areas of focus, the Destination team already promote local walking tracks, cycle trails, marine areas and their amenities, as well as council-owned historical sites, parks, museums and more.

**Strategic Pou 4: Innovation and Enterprise**

We have added a paragraph in this section to better explain what Northland NZ does in terms of its contract to deliver business growth support for Central Government, paid for by Central Government. We also illustrate our work with key partners to deliver this programme to Māori businesses, such as Te Hiringa Trust and others, and also our own work in the start space through our start-up competition "The Pick".

**Enabler 1: Advocacy and Brand**

> *"clearly articulate what Northland NZ means by 'leading the implementation of Te Rerenga", including the specific activities it will undertake within its existing resources and in partnership with others."*

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We note JREDC supports Northland NZ taking a leadership role in implementing Te Rerenga. This is a vision document for Northland developed by a wide-ranging stakeholder group with considerable community engagement. It is used as an overarching document for tactical plans to sit under, e.g., the regional deals proposal and the infrastructure plan. Operationally, the

intention of providing a continuation of an administrative secretariat function to 'lead' Te Rerenga was always predicated on specific external funding to provide this service in the same way that the Tai Tokerau Northland Economic Action Plan work was funded.

This funding was discontinued and is currently not available. Also, Northland NZ, in line with the strategy agreed by JREDC and the Northland NZ Board, has moved to work that is more impactful and project-focused. We recognise the importance of the facilitation and secretariat leadership around various regional plans (of which there have been many), but we are unable to deliver this function as well as the work necessary to deliver impact in the region with our current resourcing.

Noting that, and taking into consideration JREDC suggestions, we have better articulated that leading Te Rerenga means holding it up as the intergenerational vision document for Northland and ensuring that new project-based plans and initiatives align with the direction of Te Rerenga. Currently, the Councils' Regional Deal proposal to Central Government and the new Infrastructure Plan clearly note Te Rerenga as the guiding vision document.

**Enabler 2: Māori Economic Development**

a. *"Refine the description of activities to better reflect engagement across these different levels, including how their work programmes accounts for the distinct roles, priorities and aspirations of each of the respective levels; and*
b. *Consider disaggregating KPI reporting to provide greater transparency around activities, similar to the additional breakdowns used elsewhere in the SOI."*

We support the intent to enable whānau, hapū and iwi to participate in and benefit from economic development. Our approach is guided by readiness, mandate and opportunity for economic activity, recognising that aspirations, capability and priorities differ across the Māori economy.

We have strengthened the SOI narrative to better reflect engagement across this continuum. However, we propose retaining a consolidated KPI framework focused on economic outcomes and impact, rather than disaggregating reporting by structure, as our engagement also depends on the readiness of Māori organisations to engage with us, and that is across many different sectors.

In response to the request to clarify what constitutes "actively supported" and to strengthen the link between engagement and measurable improvements in capability and economic outcomes, we note that Māori economic enterprises supported by Northland NZ sit across a spectrum from early-stage concept through to pre-investment, investment-ready and implementation. Each stage has distinct needs, support requirements and timeframes for achieving economic outcomes. We

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can reflect this by articulating the stages of
development and the corresponding forms of active support provided across that spectrum.

**Enabler 3: Environmental Sustainability**

> *"consider developing a more specific and measurable KPI that also better demonstrates how it relates to the region's broader environmental objectives. Northland NZ, could for example, align the KPI with an existing sustainability accreditation system, e.g., number of businesses helped to achieve X standard in Y system. This would provide a structured, efficient and robust approach for businesses to pursue."*

We agree with the need to build energy resilience, especially given the current fuel situation. Our role is to support and facilitate initiatives from organisations such as EECA (who are actively working in Northland following a Northland NZ invitation at an EDANZ conference). However, we do not think aligning Northland NZ KPI's with what effectively are EECA or similar organisations' KPI's is realistic. We will continue our support of organisations such as EECA to deliver programmes that support environmental sustainability, and also our tourism operator sustainability work.

In the tourism area, we had our Tourism Carbon Footprint Project, a Northland NZ initiative funded by the Northland Regional Council to help tourism businesses measure and reduce their carbon footprint with ease. We also ran a Destination / Regional Business Partner event in May that aims to build operator capability, including sustainability. We will also be hosting a webinar with Westpac before the end of June to further complement sustainability initiatives. These will also ensure we meet our 2025/26 KPI's.

**Enabler 5: Workforce and Education**

> *"avoid duplication and given their identified resource constraints, prioritise a partnership-based approach. As such, the SOI should more clearly demonstrate how Northland NZ will work with other agencies on their existing activities."*

Workforce and Education is a key recognised EDA function. For Northland NZ it is an Enabler rather than a Pou, i.e. it supports our prioritised areas rather than being a core workstream in itself. It is agreed that, given limited resources, we need to prioritise our time in this area to avoid duplication and being spread too thin. The need for a partner-based approach is noted, and that is our current approach.

At present, Northland NZ's focus on workforce and education is predominantly in the primary sector space – with our facilitation and support of Massey University/NorthTec and encouraging the development of the Whangarei Knowledge Hub (of which we have been part of with WDC councillors and staff for some time). We will focus on that area in terms of encouraging and supporting these parties to deliver better educational services with a view to improving the student/workforce flow into the primary sector.

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**KPI Reporting and Transparency**

a. *"The quarterly highlights reports should include qualitative descriptions of the activities contributing to the delivery of the quantitative output and outcome KPIs. This does not prevent Northland NZ from reporting on non-KPI-related activities in the quarterly highlights report.*
b. *Where possible, both quantitative and qualitative reporting will be provided at a district level to better demonstrate how Northland NZ's work delivers tangible benefits to the local communities."*

The need to improve shareholder understanding is noted, particularly with the advent of some new councillors following the last elections. We will continue to develop our qualitative descriptions of the quantitative results to better illustrate initiatives.

We also continue to build out district-level illustrations where the data is appropriate to better give district-focused councillors illustrative comments to share with their local communities.

**Prospective Statement of Financial Information**

*"requests that a high-level breakdown of income and expenditure by the ten activities be provided to shareholders, including:*

a. *CCO Opex funding by activity; and*
b. *Total income by activity, to illustrate the level of third-party funding leveraged."*

Noting JREDC's interest in knowing further how our limited resources are allocated across the areas of our operational activity, a high-level breakdown of budgets relative to the four key Pou is provided as a new section as part of SOI Section 11. Information at the Enabler level is too granular, and activity is spread across those areas in different proportions throughout the year, depending on the need.

**General Comments on the draft SOI**

Concerning the reference around equity, equity is already embedded in our delivery through our proactive adoption of increasing equity targets, particularly those focused on Māori participation and satisfaction across our programmes and support.

These targets have been progressively increased over the past five years and actively worked towards, shaping our activity and prioritisation e.g. number of Maori businesses in our RBP programme partnering with Te Hiringa to deliver into the Maori business community, number of Maori businesses participating in our start up programme "The Pick", supporting the Whariki Business Network from inception in Northland to be able to stand alone and spin out as its own entity.

We will look further at how we might further illustrate this for communication purposes.

The request for greater visibility across all KPI's is noted, and this is something we can build out in quarterly reporting, along with the quantitative reporting.

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Mō Te Tai Tokerau
Northland NZ

**Timing for the Development of the SOI 2027/28**

In terms of the SOI for 2027/28 and the need to align with the LTP 2027-2037 process, the change in timing is noted to deliver a draft SOI by 31 January 2027.

Ngā manaakitanga ki a koutou katoa,

**Suzanne Duncan**
Chair – Northland NZ

Cc Darryl Jones, Chief Economist, NRC

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Northland REGIONAL COUNCIL
Te Kaunihera ā rohe o Te Taitokerau

1 May 2026

Suzanne Duncan and Paul Linton
Chair and Chief Executive Officer
Northland Inc Limited

Sent by email: huhana.duncan@gmail.com and paul.linton@northlandnz.com

Dear Suzanne and Paul

**NORTHLAND INC LTD STATEMENT OF INTENT 2025/26 – SHAREHOLDER COMMENTS ON DRAFT**

The purpose of this letter, sent on behalf of the Joint Regional Economic Development Committee (Joint Committee) – whose members represent the interests of your four shareholder councils – is to provide comments on the draft Northland Inc Statement of Intent (SOI) 2026/27 in accordance with Schedule 8 Clause 2 of the Local Government Act 2002. Thank you for the work that the Northland Inc board and staff have put into developing the draft SOI, and for providing this within the time requirement set out in Schedule 8 Clause 1(2). I note that many of the points raised in the letter of expectations were actioned in the draft received.

At our meeting on 24 April 2025, the Joint Committee had the opportunity to discuss and approve comments relating to the draft SOI. Based on that, the following comments are provided for your consideration as you finalise the SOI. The comments are arranged by various sections of the SOI, with some final general comments. Three general themes have emerged. The Joint Committee wishes to see clearer specificity of the work to be undertaken, greater transparency in how funding is allocated, and improved qualitative reporting on activities.

**Strategic Pou 1: Investment & Infrastructure**

1) The Joint Committee supports the focus on inward investment attraction as part of this Pou. To strengthen the alignment between activities and KPIs, the Joint Committee encourages Northland Inc to more clearly articulate its role in inward investment attraction within the activities, including the need for this work to be proactive, well-coordinated and ensure that the development of an investment pipeline for the region aligns with strategic sectors and identified regional opportunities.

**Strategic Pou 2: The Primary Sector**

2) The Joint Committee recognises the critical importance of the primary sector and supports the overall intent of the Tuputupu Grow Northland strategic Pou. However, the activities described under this Pou are framed at a high level and in some instances, it is unclear what specific role Northland Inc is expected to play in those activities.

3) With only modest resourcing to support implementation of the activities, the Joint Committee encourages Northland Inc to review the activities section, ensuring that it better communicates its role as:
    a. A cross-sector facilitator and regional coordinator- minimising duplication of services already delivered by organisations that levy farmers and growers.
    b. Supporting land use transformation where regional leadership is required, e.g., in the uptake and utilisation of water schemes across the region.
    c. Enabling value-added industry development as it relates to the primary sector.

**Strategic Pou 3: Tourism and Destination Management**

4) Shareholder councils provide important tourism related services such as i-sites, parks and other supporting infrastructure. The Joint Committee requests that these council provided services be acknowledged more explicitly within the Tourism and Destination Management activity to better demonstrate how local and regional investment is aligned and mutually reinforcing in the sector.

**Enabler 1: Advocacy and Brand**

5) The Joint Committee notes that *Te Rerenga: Taitokerau Northland Economic Wellbeing Pathway* (Te Rerenga) is identified as the region's long-term intergenerational economic framework and that Northland Inc proposes to lead its implementation, as one of five activities in advocacy and brand enabler. The Joint Committee supports Northland Inc taking a leadership role in implementing Te Rerenga. Given the significant investment made by shareholder councils and other stakeholders in its development, there is a risk that the strategy becomes under-utilised if no organisation is clearly accountable for driving it forward.

6) However, the Joint Committee also notes advice from Northland Inc, after the delivery of the draft SOI, that additional funding would be required to undertake secretariat work to implement Te Rerenga. The Joint Committee has been clear through the Letter of Expectations that operational funding for 2026/27 is capped, and that remaining Investment and Growth Reserve funding is intended to support third-party initiatives through Enabling Investment, rather than additional Northland Inc activities.

7) Accordingly, the Joint Committee requests that the final SOI clearly articulate what Northland Inc means by "leading the implementation of Te Rerenga", including the specific activities it will undertake within its existing resources and in partnership with others.

**Enabler 2: Māori Economic Development**

8) The Joint Committee supports the regional aspiration to "establish an equitable economic platform which enhances Māori participation in the Te Tai Tokerau Northland economy and enable whānau, hapū and iwi to be economically secure and to grow their wealth." However, it is unclear how Northland Inc's work programme recognises and responds to the distinct roles, priorities, and aspirations across these different levels of the Māori economy. The Joint Committee therefore encourages Northland Inc to:
   a. Refine the description of activities to better reflect engagement across these different levels, including how their work programmes accounts for the distinct roles, priorities and aspirations of each of the respective levels; and
   b. Consider disaggregating KPI reporting to provide greater transparency around activities, similar to the additional breakdowns used elsewhere in the SOI.

9) Further:
   a. The phrase "actively supported" in the first KPI is very broad and should be clarified or replaced with a more specific and measurable description.
   b. For the second KPI, the Joint Committee encourages a clearer link between satisfaction and the objective of the enabler, i.e., did the engagement result in an improved capacity or capability?

c. A minor drafting correction is required: replace the word “principals” with the word “principles” of Te Tiriti O Waitangi.

**Enabler 3: Environmental Sustainability**

10) Given the current fuel supply disruption, and the impact it is having on energy prices, the Joint Committee supports Northland Inc maintaining a focus on improving energy efficiency, such as the work supporting the Regional Energy Transition Accelerator (RETA) report.

11) The Joint Committee notes that the KPI for this enabler is broad and high-level, making it difficult to understand the specific actions Northland Inc will prioritise or the impact it seeks to achieve. Northland Inc is encouraged to consider developing a more specific and measurable KPI that also better demonstrates how it relates to the region’s broader environmental objectives. Northland Inc, could for example, align the KPI with an existing sustainability accreditation system, e.g., number of businesses helped to achieve X standard in Y system. This would provide a structured, efficient and robust approach for businesses to pursue.

**Enabler 5: Workforce and Education**

12) The Joint Committee recognises that having an engaged workforce is a key enabler for economic development. However, it also notes that multiple agencies and organisations already operate in the workforce and educations space and often have clearer mandates and dedicated funding to affect change, e.g., the Mayors Taskforce for Jobs.

13) Northland Inc should therefore take care to avoid duplication and given their identified resource constraints, prioritise a partnership-based approach. As such, the SOI should more clearly demonstrate how Northland Inc will work with other agencies on their existing activities.

**KPI Reporting and Transparency**

14) An ongoing issue for the Joint Committee is improving shareholder understanding of Northland Inc’s work and its impact. While quantitative KPI‘s are useful, they do not fully explain the activities undertaken to achieve those results. The quarterly highlights reports introduced in 2025 have been useful in providing more qualitative reporting. Nevertheless, more can be done to improve reporting and transparency.

15) The Joint Committee therefore suggests that alongside the formal KPI reporting:
    a. The quarterly highlights reports should include qualitative descriptions of the activities contributing to the delivery of the quantitative output and outcome KPIs. This does not prevent Northland Inc from reporting on non-KPI related activities in the quarterly highlights report.
    b. Where possible, both quantitative and qualitative reporting be provided at a district level to better demonstrate how Northland Inc’s work delivers tangible benefits to the local communities.

**Prospective Statement of Financial Information**

16) While the prospective statement of financial performance provides information on income and expenditure by Business-as-Usual, Strategic Projects, and NIEP, it does not show how resources are allocated across the four strategic pou and six enablers.

17) To improve transparency, the Joint Committee requests that a high-level breakdown of income and expenditure by the ten activities be provided to shareholders, including:

a. CCO Opex funding by activity; and
b. Total income by activity, to illustrate the level of third-party funding leveraged.

*Note: Other economic development agencies in New Zealand, e.g. Venture Taranaki, provides this information as part of their Statement of Intent.*

18) While it is acknowledged that this request is too late to inform the development of the SOI 2026/27, the Joint Committee requests that this information be provided alongside the final SOI 2026/27, and with the draft SOI 2027/28.

**General comments on the draft SOI**

19) Finally, there are three general comments relating the SOI.
   a) Reference is made to "equity" as part of the mission statement. Northland Inc should consider how equity can be given stronger emphasis throughout the SOI, including within its framing, the activities undertaken and reporting provided.
   b) The Joint Committee notes that the date on the front cover of the SOI should refer to 2026/27, rather than the 2025/26-2028/29.
   c) Across all KPIs, the Joint Committee would welcome greater visibility of the activity underpinning the reported measures, to better support elected members to understand, explain, and advocate for Northland Inc's work and impact across the region.

**Timing for the Development of the SOI 2027/28**

It is also worth noting that because councils will be seeking to align the SOI for 2027/28 with LTP 2027-2037, there will be a change to the timing of key steps in the SOI development process. From a statutory perspective Northland Inc is required to deliver a draft SOI on or before 1 March 2027. However, the Joint Committee requests that this be provided by 31 January 2027. The Joint Committee will then provide shareholder comments by early April, with a board approved SOI being provided by 31 May 2026 (ahead of the statutory deadline of 1 July 2027). This timeframe will ensure that there can be consistency between the economic development text in all four councils LTPs and Northland Inc's SOI.

Further, there will be an opportunity for us to discuss the SOI 2027/28 at the September and December Joint Committee meetings. I am keen to consider how we can make more meaningful changes to this forthcoming SOI to address the three key themes mentioned above. It is important that shareholder councils have a clear expectation of what services Northland Inc will deliver as we head into a new Long Term Plan planning process.

Please do not hesitate to contact us if you have any questions or points of clarification regarding these shareholder comments. We look forward to receiving the board approved final SOI by 30 June 2026.

Yours sincerely,

**NRC Cr Geoff Crawford**
**Chair of Joint Regional Economic Development Committee**

CC: FNDC Mayor Moko Tepania, FNDC Cr John Vujich, FNDC Cr Rachel Baucke, KDC Mayor Jonathan Larsen, KDC Deputy Mayor Gordon Lambeth, KDC Cr Craig Jepson, NRC Chair Pita Tipene, NRC Cr John Hunt, WDC Mayor Ken Couper, WDC Deputy Mayor Scott McKenzie and WDC Cr Tangiwai Baker

**Attachment 4: Statement of Intent 2026/27**
***Staff assessment of Northland NZ responses to Shareholder Comments on the draft***

| Item | Shareholder Comment | Northland NZ Changes | Staff Assessment |
|---|---|---|---|
| ***Strategic Pou 1: Investment & Infrastructure*** | | | |
| 1. | To strengthen the alignment between activities and KPIs, the Joint Committee encourages Northland Inc to more clearly articulate its role in inward investment attraction within the activities, including the need for this work to be proactive, well-coordinated and ensure that the development of an investment pipeline for the region aligns with strategic sectors and identified regional opportunities. | Northland NZ have changed and added activities to improve clarity in regard to inward investment attraction. | The requested change is mostly incorporated. Inward investment attraction activities have been expanded to include investment pipeline development, capital matching, inward and outward delegations, a focus on foreign government and sister city relationships, etc.<br><br>Despite additional activities being added to build clarity, there has not been explicit emphasis placed on the need to be well-coordinated as a region in undertaking these types of activities as well as supporting regionally identified opportunities<br><br>Further changes have been made to the "infrastructure" activities component of this Pou, as outlined in Table 1. |
| ***Strategic Pou 2: The Primary Sector*** | | | |
| 2. | The Joint Committee recognises the critical importance of the primary sector and supports the overall intent of the Tuputupu Grow Northland strategic Pou.<br><br>However, the activities described under this Pou are framed at a high level and in some instances, it is unclear what specific role Northland Inc is expected to play in those activities. | Northland NZ have added and reworded activities to better articulate their role. | The requested change has been incorporated.<br><br>There is an apparent discrepancy between the following comment in the letter from Northland NZ (Attachment 2), "We increased the number of projects assisted to 4, and decreased the activity metric of the number of businesses to 16," and the SOI itself when the KPI's and performance metrics have not changed from last years SOI and remain at 6 and 24 respectively. The targets set in the SOI will be those on which Northland NZ's performance will be monitored. |
| 3. | With only modest resourcing to support implementation of the activities, the Joint Committee encourages Northland Inc to review the activities section, | Northland NZ have added and reworded activities to better articulate their role. | Incorporated |

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| | ensuring that it better communicates its role as:<br>• A cross-sector facilitator and regional coordinator- minimising duplication of services already delivered by organisations that levy farmers and growers.<br>• Supporting land use transformation where regional leadership is required, e.g., in the uptake and utilisation of water schemes across the region.<br>• Enabling value-added industry development as it relates to the primary sector. | | |
| ***Strategic Pou 3: Tourism and Destination Management*** | | | |
| 4. | Shareholder councils provide important tourism related services such as i-sites, parks and other supporting infrastructure. The Joint Committee requests that these council provided services be acknowledged more explicitly within the Tourism and Destination Management activity to better demonstrate how local and regional investment is aligned and mutually reinforcing in the sector. | Northland NZ have added a specific activity linked to this | Incorporated |
| ***Enabler 1: Advocacy and Brand*** | | | |
| 5. | The Joint Committee notes that *Te Rerenga: Taitokerau Northland Economic Wellbeing Pathway* (Te Rerenga) is identified as the region's long-term intergenerational economic framework and that Northland Inc proposes to lead its implementation, as one of five activities in advocacy and brand enabler.<br><br>The Joint Committee supports Northland Inc taking a leadership role in implementing Te Rerenga.<br><br>Given the significant investment made by shareholder councils and other stakeholders in its development, there is a risk that | Northland NZ have reduced their role in implementing Te Rerenga | The final SOI reduces Northland NZ's role from implementation to stewardship and alignment. This is contrary to the shareholder view that an organisation should remain clearly accountable for driving the strategy forward.<br><br>Northland NZ has also noted in their letter accompanying the SOI that they have moved away from Te Rerenga focused work to work that is "more impactful and project-focused," in line with a "strategy agreed by JREDC and the Northland NZ Board." While Northland NZ have discussed their strategy with JREDC at various times there has never been formal Joint Committee agreement. Further, making the |

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| | the strategy becomes under-utilised if no organisation is clearly accountable for driving it forward. | | change now in the final and not in the draft allows little opportunity for discussion with shareholders, particularly if the strategy has been in place for more than six months. |
| 6. | However, the Joint Committee also notes advice from Northland NZ, after the delivery of the draft SOI, that additional funding would be required to undertake secretariat work to implement Te Rerenga.<br><br>The Joint Committee has been clear through the Letter of Expectations that operational funding for 2026/27 is capped, and that remaining Investment and Growth Reserve funding is intended to support third-party initiatives through Enabling Investment, rather than additional Northland NZ activities. | Northland NZ Board notes that funding for the activity has been discontinued and is not currently available. | While the issue regarding funding has been acknowledged, it is important to note that shareholders did not ask Northland NZ to secure additional funding. Rather, shareholders noted the existing funding parameters.<br><br>The Board response effectively uses funding constraints as justification for reducing its implementation role. However, Northland NZ retains discretion regarding how operational funding is allocated across its work programme. The decision to cease implementation support therefore appears to be a strategic prioritisation decision rather than solely a funding issue. |
| 7. | Accordingly, the Joint Committee requests that the final SOI clearly articulate what Northland Inc means by “leading the implementation of Te Rerenga”, including the specific activities it will undertake within its existing resources and in partnership with others. | Northland NZ has provided additional narrative in response to this. | The request for clarification was partially addressed through additional narrative. However, the response goes beyond clarification and changes the underlying role. Rather than explaining how Northland NZ would continue to lead implementation within existing resources, the final SOI redefines its role to one of advocacy, stewardship and alignment. The specific implementation activities to be undertaken, the extent of ongoing coordination responsibilities, and the organisation responsible for monitoring and reporting on Te Rerenga are not clearly identified. |
| ***Enabler 2: Māori Economic Development*** | | | |
| 8. | The Joint Committee supports the regional aspiration to “establish an equitable economic platform which enhances Māori participation in the Te Tai Tokerau Northland | Northland NZ has added additional narrative in the context component of the Pou and this | Incorporated |

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| | economy and enable whānau, hapū and iwi to be economically secure and to grow their wealth." However, it is unclear how Northland Inc's work programme recognises and responds to the distinct roles, priorities, and aspirations across these different levels of the Māori economy. The Joint Committee therefore encourages Northland Inc to:<br>a) Refine the description of activities to better reflect engagement across these different levels, including how their work programmes accounts for the distinct roles, priorities and aspirations of each of the respective levels; and<br>b) Consider disaggregating KPI reporting to provide greater transparency around activities, similar to the additional breakdowns used elsewhere in the SOI. | reflected in the KPI's also. | |
| 9. | Further:<br>a) The phrase "actively supported" in the first KPI is very broad and should be clarified or replaced with a more specific and measurable description.<br>b) For the second KPI, the Joint Committee encourages a clearer link between satisfaction and the objective of the enabler, i.e., did the engagement result in an improved capacity or capability?<br>c) A minor drafting correction is required: replace the word "principals" with the word "principles" of Te Tiriti O Waitangi. | Northland NZ has reworded the KPI's and corrected the spelling areas. | Incorporated. |
| | ***Enabler 3: Environmental Sustainability*** | | |
| 10. | Given the current fuel supply disruption, and the impact it is having on energy prices, the Joint Committee supports Northland NZ maintaining a focus on improving energy efficiency, such as the work supporting the Regional Energy | Northland NZ have updated their first activity to note tools and initiatives they can leverage to support businesses | Incorporated. |

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| | Transition Accelerator (RETA) report. | | |
| 11. | The Joint Committee notes that the KPI for this enabler is broad and high-level, making it difficult to understand the specific actions Northland NZ will prioritise or the impact it seeks to achieve. Northland NZ is encouraged to consider developing a more specific and measurable KPI that also better demonstrates how it relates to the region's broader environmental objectives. Northland NZ, could for example, align the KPI with an existing sustainability accreditation system, e.g., number of businesses helped to achieve X standard in Y system. This would provide a structured, efficient and robust approach for businesses to pursue. | No change. | Northland NZ noted in Attachment 2, that they did "not think aligning Northland NZ KPI's with what effectively are EECA or similar organisations' KPI's is realistic." |
| | ***Enabler 5: Workforce and Education*** | | |
| 12. & 13. | The Joint Committee recognises that having an engaged workforce is a key enabler for economic development. However, it also notes that multiple agencies and organisations already operate in the workforce and educations space and often have clearer mandates and dedicated funding to affect change, e.g., the Mayors Taskforce for Jobs. Northland NZ should therefore take care to avoid duplication and given their identified resource constraints, prioritise a partnership-based approach.<br><br>As such, the SOI should more clearly demonstrate how Northland NZ will work with other agencies on their existing activities. | Northland NZ have better articulated who and how they will work with some education provider/stakeholders in the region. | Partially incorporated, with additional Board-led changes. The final SOI better demonstrates a partnership-based approach and more clearly identifies how Northland NZ intends to work alongside existing education and workforce agencies, consistent with shareholder feedback. However, the final SOI also narrows the focus of the enabler toward primary-sector workforce development. This change was not specifically requested by shareholders and represents a material shift from the broader workforce development activities contained in the draft SOI, including the removal of workforce mapping, procurement initiatives and general business upskilling activities. |
| | ***KPI Reporting and Transparency*** | | |
| 14. & 15. | An ongoing issue for the Joint Committee is improving shareholder understanding of Northland Inc's work and its impact. While quantitative KPIs are useful, they do not fully | n/a | Northland NZ have noted this and have committed to continuing to develop their qualitative descriptions of their quantitative results to better illustrate initiatives. |

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| | explain the activities undertaken to achieve those results. The quarterly highlights reports introduced in 2025 have been useful in providing more qualitative reporting. Nevertheless, more can be done to improve reporting and transparency.<br><br>The Joint Committee therefore suggests that alongside the formal KPI reporting: The quarterly highlights reports should include qualitative descriptions of the activities contributing to the delivery of the quantitative output and outcome KPIs. This does not prevent Northland NZ from reporting on non-KPI related activities in the quarterly highlights report.<br><br>Where possible, both quantitative and qualitative reporting be provided at a district level to better demonstrate how Northland Inc's work delivers tangible benefits to the local communities. | | |
| ***Prospective Statement of Financial Information*** | | | |
| 16. 17. & 18. | While the prospective statement of financial performance provides information on income and expenditure by Business-as-Usual, Strategic Projects, and NIEP, it does not show how resources are allocated across the four strategic pou and six enablers.<br><br>To improve transparency, the Joint Committee requests that a high-level breakdown of income and expenditure by the ten activities be provided to shareholders, including:<br>a) CCO Opex funding by activity; and<br>b) Total income by activity, to illustrate the level of third-party funding leveraged.<br><br>While it is acknowledged that this request is too late to inform | Northland NZ have included a new section as part of the SOI that incorporates a high-level breakdown of their budget | Partially incorporated. Northland NZ has responded by introducing a new Resource Allocation section that provides a high-level overview of funding sources and indicative resource allocation across the strategic pou and organisational functions. This improves transparency relative to the draft SOI.<br><br>However, the information provided does not fully address the shareholder request. Shareholders specifically requested a breakdown of operating expenditure and income by activity, including the level of third-party funding leveraged by each activity. The percentage allocations provide only a high-level indication of resource distribution and do not enable shareholders to |

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| | the development of the SOI 2026/27, the Joint Committee requests that this information be provided alongside the final SOI 2026/27, and with the draft SOI 2027/28. | | understand how council funding is allocated across individual activities, nor assess the extent of external funding supporting each activity. |
| | ***General Comments*** | | |
| 19. | Finally, there are three general comments relating the SOI.<br>a) Reference is made to "equity" as part of the mission statement. Northland NZ should consider how equity can be given stronger emphasis throughout the SOI, including within its framing, the activities undertaken and reporting provided.<br>b) The Joint Committee notes that the date on the front cover of the SOI should refer to 2026/27, rather than the 2025/26-2028/29.<br>c) Across all KPIs, the Joint Committee would welcome greater visibility of the activity underpinning the reported measures, to better support elected members to understand, explain, and advocate for Northland NZ's work and impact across the region. | No changes directly addressing the points. | a) Northland NZ noted in their letter that equity is embedded in their delivery of activities through a proactive adoption of increasing equity targets, particularly those focused on Māori participation and satisfaction.<br>b) The SOI date still covers off a three-year period<br>c) Northland NZ noted that they will look to support greater visibility across all KPIs by building out quarterly reporting, along with the quantitative reporting.<br>Also noting that Northland NZ will be doing a deep dive on each of its four Pou throughout the year to help assist with building out the understanding of its activities. |

## 7 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED

### RESOLUTION TO EXCLUDE THE PUBLIC

**RECOMMENDATION**

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under section 48 for the passing of this resolution |
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| **7.1 - Confirmation of Previous Minutes - Public Excluded** | s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities<br>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |
| **7.2 - Alteration of resolution 2026/6 from Te Koekoeā Committee Meeting held 16 June 2026** | s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |
| **7.3 - Far North Holdings Limited - Board Appointment Update** | s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |
| **7.4 - Far North Holdings Ltd - Statement of Intent** | s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information<br>s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority | s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7 |

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| | s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities | |

## 8 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

## 9 TE KAPINGA HUI / MEETING CLOSE