

AGENDA

Ordinary Council Meeting

Thursday, 22 October 2026
Time: 10:00 AM
Council Chamber
Memorial Ave
Kaikohe

Far North District Council
Ordinary Council Meeting
will be held in the Council Chamber, Memorial Ave, Kaikohe on:
Thursday 22 October 2026 at 10:00 AM

Te Paeroa Mahi / Order of Business

1 Karakia Tīmatanga / Opening Prayer 5

2 Ngā Whakapāha Me Ngā Pānga Mema / Apologies and Declarations of Interest 5

3 Ngā Tono Kōrero / Deputations 5

4 Ngā Kōrero A Te Kahika / Mayoral Announcements 5

5 Te Whakaaetanga o Ngā Meneti o Mua / Confirmation of Previous Minutes 6

5.1 Confirmation of Previous Minutes 6

5.2 Community Board Minutes 17

6 Ngā Pūrongo / Reports 38

6.1 Draft Community Board Accord for Adoption 38

6.2 Approval of final Simson Park Domain Reserve Management Plan 2026 54

6.3 Membership Update for Te Miromiro Committee for Assurance, Risk and Finance Committee 70

6.4 Greenhouse Gas Emissions Reduction Considerations For Council Controlled Organisations 77

6.5 Northland Waters Limited - Statement of Expectations 89

6.6 Far North Holdings Limited - Annual Report 110

7 Ngā Pūrongo Taipitopito / Information Reports 174

7.1 Head Start Local Government Reform Programme - Government Update and Next Steps 174

8 Te Wāhanga Tūmataiti / Public Excluded 177

8.1 Confirmation of Previous Minutes - Public Excluded 177

8.2 Next steps for the Housing for the Elderly portfolio 177

8.3 Sites for Electric Vehicle Charging Infrastructure 177

8.4 Award of Contract 7/26/001 Infrastructure Acceleration Fund Kawakawa Water Treatment Plant Upgrade 177

9 Karakia Whakamutunga / Closing Prayer 178

10 Te Kapinga Hui / Meeting Close 178

Note – Order of Business

The order of business for this meeting will differ from the order in which items appear in the agenda.

Council will resolve to exclude the public following consideration of item 6.1 Draft Community Board Accord for Adoption, to consider the public excluded items. Once all public excluded items have been considered, Council will resolve to readmit the public and resume the open meeting from item 6.2 Approval of Final Simson Park Domain Reserve Management Plan 2026.

Far North District Council Values

The Code of Conduct is designed to give effect to the following values:

1. **Public interest:** members will serve the best interests of the people within their community, district or region and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency;
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour;
4. **Objectivity**: members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others**: will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of officials;
6. **Duty to uphold the law:** members will comply with all legislative requirements concerning their role, abide by this Code of Conduct, and act in accordance with the trust placed in them by the public;
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attendance at meetings and workshops, background reading, attendance at civic events, and participation in relevant training seminars organised by the Council.
8. **Leadership**: members will actively promote and support these principles and ensure they are reflected in the way in which the Council operates including regular review and assessment.

These values complement, and work in conjunction with, the principles of s.14 of the LGA 2002 and the governance principles of s.39 of the LGA 2002.

1 KARAKIA TĪMATANGA / OPENING PRAYER

Ka tuku mātou kia kaha mai ngā māngai kua whiriwhirihia mō Te Kaunihera o Te Hiku o te Ika ki te mahi me te ngākau auaha me te whakamahi i ngā pūkenga me te mātauranga i roto i ngā wānanga me ngā whakataunga kia whakatūria ai tētahi Hapori e matatika ana, e tū kotahi ana ka mutu ka whakapiki anō i te oranga o tō tātou rohe, ka whakatau anō i ngā take o te rohe i runga i te tika me te pono.

We ask that through Council discussions and decisions the representatives we have elected may govern the Far North District with imagination, skill and wisdom to achieve a fairer and more united Community that enhances the wellbeing of our district and solves the District's problems efficiently and effectively.

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 Council 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.

Elected Member - Register of Interests

3 NGĀ TONO KŌRERO / DEPUTATIONS

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

4 NGĀ KŌRERO A TE KAHIKA / MAYORAL ANNOUNCEMENTS

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

5.1 CONFIRMATION OF PREVIOUS MINUTES

File Number: **A5993184**

Author: **Marysa Maheno, Democracy Advisor**

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

TAKE PŪRONGO / PURPOSE OF THE REPORT

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

TŪTOHUNGA / RECOMMENDATION

That Council confirm the minutes of the Ordinary Council meeting held 24 September 2026 as a true and correct record.

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.
Secretarial notes are included in the minutes to capture the essence of the debate during each item. Secretarial notes do not reiterate the whole conversation.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The minutes of the Ordinary Council meeting held 24 September 2026.

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.

ĀPITIHANGA / ATTACHMENTS

1. 2026-09-24 Council Minutes - A5976951

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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	There are no implications for Māori in confirming minutes from 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 CFO has not reviewed this report.

UNCONFIRMED

MINUTES OF FAR NORTH DISTRICT COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, MEMORIAL AVE, KAIKOHE
ON THURSDAY, 24 SEPTEMBER 2026 AT 10:01 AM

PRESENT: Kahika - Mayor Moko Tepania, Kohepu - Deputy Mayor Chicky Rudkin, Cr Arohanui Allen, Cr Rachel Baucke, Cr Ann Court, Cr Felicity Foy, Cr Hilda Halkyard-Harawira, Cr Tāmati Rākena, Cr Davina Smolders, Cr Kelly Stratford, Cr John Vujcich

IN ATTENDANCE: Community Board Chairs; Bill Subritzky, Belinda Ward, Jessie McVeagh, Kawiti Waetford (Kaiwhakawhiti Reo – Language Interpreter).

STAFF PRESENT: Guy Holroyd (Chief Executive Officer), Charlie Billington (Group Manager – Corporate Services), Aaron Taikato (Group Manager – Te Hono), Kate Ivicheva (Group Manager – Planning and Policy), Kayla Jonas (Manager – People and Capability), Jacine Warmington (Group Manager – Strategic Relationships), Ruben Garcia (Group Manager – Communications and Engagement), Rachel Smith (Executive Officer), Ken Lewis (Manager – Communication and Engagement), Cath Beaumont (Road Corridor Manager), Margriet Veenstra (Manager - Property Information & Business Compliance)(VC), Rhonda-May Whiu (Democracy Advisor), Imrie Dunn (Democracy Advisor).

1 KARAKIA TIMATANGA / OPENING PRAYER

At 10:01 am, Kahika - Mayor Moko Tepania commenced the meeting with a karakia.

Secretarial Note: A point of order was raised regarding Standing Order 25.2 and 11.2, concerning the recording of the meeting by external videographer, the potential for disruption, and the use of Council facilities during the election period. The Mayor briefly adjourned the meeting to obtain procedural advice before reconvening and issuing a ruling on the matter.

At 10:05 am, meeting was adjourned and resumed at 10:17 am.

Secretarial Note: Following a point of order concerning disruption to the meeting, the Chair ruled that the external videographer be removed from the meeting. The ruling was based on advice provided by legal and governance staff and was not related to the election period. The meeting was briefly adjourned to enable the ruling to be implemented, after which proceedings resumed.

At 10:19 am, meeting was adjourned and resumed 10:21 am.

2 NGĀ KŌRERO A TE KAHIKA / MAYORAL ANNOUNCEMENTS

- The Mayor outlined the meeting procedure and agenda sequence, noting the significant decisions ahead.
- Acknowledged the passing of Matua Jim Peters and Rihari Dargaville during the previous week.
- Noted that today's Maramataka is Atua, moving towards a period of high energy.
- Acknowledged Ngā Manu Kōrero National Secondary Schools Speech Competition, hosted in Kaikohe for the first time in the competition's 61st year, and celebrated Te Tai Tokerau achieving the highest aggregate score across 15 regions.
- Acknowledged Te Wiki o te Reo Māori and the events held across the district to celebrate Māori Language Week.

- Noted forecasts of a dry summer and encouraged residents to use water mindfully and consider installing rainwater collection tanks, with guidance available on Council's website.
- Acknowledged the mahi of the community boards in supporting local events, cultural activities and community-led projects across the district.
- Confirmed that the public-excluded report on 11 Matthews Avenue, Kaitāia had not been formally removed and remained on the circulated agenda for discussion.
- Noted recent investment in the Pou Herenga Tai Twin Coast Cycle Trail and progress on the Kaitāia Airport upgrade, including new fuel infrastructure.
- Advised that a letter had been received from Minister Watts about the Head Start local government reform proposals, with an announcement expected at 11:00 am today.
- Noted that individual desktop microphones for elected members were expected to be installed during conference week in the second week of October.

3 NGĀ TONO KŌRERO / DEPUTATION

Kim Robinson representing the New Zealand Sign Language (NZSL) Club Trust and Jontelle Cullen-Beech the trilingual interpreter

- This presentation will cover the NZ Sign Language Strategy 2026-2036 which encourages local government to learn NZSL.

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

There were no apologies.

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

5.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 5.1 document number A5951683, pages 7 - 18 refers.

RESOLUTION 2026/83

Moved: Kohepu - Deputy Mayor Chicky Rudkin
Seconded: Cr Kelly Stratford

That Council confirm the minutes of the Ordinary Council meeting held 27 August 2026 as a true and correct record.

CARRIED

At 10:51 am, Cr Arohanui Allen left the meeting and returned at 10:52 am.

5.2 COMMUNITY BOARD MINUTES

Agenda item 5.2 document number A5951781, pages 19 - 36 refers.

RESOLUTION 2026/84

Moved: Kahika - Mayor Moko Tepania
Seconded: Cr Tāmati Rākena

That Council note the minutes from the following Community Board meetings:

a) Te Hiku Community Board Meeting held 31 August 2026;

b) Kaikohe-Hokianga Community Board Meeting held 2 September 2026;
c) Bay of Islands-Whangaroa Community Board Meeting held 3 September 2026.

CARRIED

Secretarial note: Kahika suggested that the upcoming election period provides an opportunity to advocate for stronger vape shop regulation. They offered to work with the Chair and Community Board Chairs on developing a draft advocacy letter to political parties, seeking either greater regulatory powers for councils or stronger central government controls.

Secretarial note: Community Board Chairs highlighted a range of local issues affecting their communities, including vape shop proliferation, transport and roading resilience, environmental protection, wastewater management, and public safety. While the issues vary across the district, there is a shared desire for stronger regulatory tools, improved infrastructure investment, and greater responsiveness to community concerns.

6 NGĀ PŪRONGO / REPORTS

6.1 TEMPORARY ROAD CLOSURE REPORTS

Agenda item 6.1 document number A5953549, pages 37 - 45 refers.

RESOLUTION 2026/85

Moved: Kahika - Mayor Moko Tepania
Seconded: Cr John Vujcich

That pursuant to the Local Government Act 1974, Section 342 and Schedule 10, Clause 11(e), the Council approves the temporary closure of specified roads to enable the safe operation of the following community and public events:

a) Kaikohe Library Opening: Monday 9 November 2026
b) Kerikeri Half Marathon: Saturday 21 November 2026
c) Kerikeri Street Party: Saturday 21 November 2026
d) Kaikohe Christmas Parade: Saturday 28 November 2026
e) Paihia Christmas Parade: Friday 4 December 2026
f) Waitangi Week 2027: Friday 29 January – Saturday 6 February 2027
g) Māngungu Treaty Commemorations 2027: Friday 12 February 2027
h) Cruz'n the Bayz: Thursday 4 March – Sunday 7 March 2027
i) Mangōnui Waterfront Festival: Saturday 27 March 2027

CARRIED

At 11:31 am, meeting was adjourned and resumed at 11:51am.
At 11:54 am, Crs Arohanui Allen and Felicity Foy joined the meeting.

6.2 RUSSELL SPEED LIMIT CHANGES

Supplementary Agenda item 6.7 document number A5942776, pages 4 - 14 refers.

RESOLUTION 2026/86

Moved: Cr Kelly Stratford
Seconded: Cr John Vujcich

That Council:

a) receive the report "Russell Speed Limit Changes" for consideration.

b) note that consultation on proposed speed limit changes within the Russell-Kororāreka catchment was undertaken in 2024 and that some originally proposed speed limits are no longer available under the Land Transport Rule: Setting of Speed Limits 2024.

c) approve the Ōkiato-Russell route speed limit changes

d) direct the Chief Executive to present the balance of the Russell-Kororāreka speed limit proposals to the Bay of Islands-Whangaroa Community Board for consideration and provide advice on potential future funding opportunities.

e) direct the Chief Executive to seek approval from the Director of Land Transport for any speed limit changes approved by Council.

f) delegate authority to the Chief Executive to approve any minor or technical amendments required through the Director approval process that do not materially change Council's decision.

CARRIED

6.3 RUSSELL PLACEMAKING - ENDORSEMENT OF FINAL DESIGN FOR CASS ST AND THE STRAND

Agenda item 6.2 document number A5952657, pages 46 - 55 refers.

RESOLUTION 2026/87

Moved: Cr Ann Court
Seconded: Cr John Vujcich

That Council approves:

a) the final design plan for Cass Street and The Strand, per Attachment 1 with the following changes as described in Option 1:

i. Shift proposed pedestrian safety bollards, provide additional signage, and install a bicycle parking rack.
ii. Use grey-tinted concrete as the proposed construction material for the raised crossing entrance to Cass St (from York St)

b) the amendment of Schedule 1; Schedule 2 Part A, B, C and H; Schedule 3 Part A and Part B; and Schedule 5 of the Parking Bylaw as per the final design plan for Cass Street, Russell, in attachment 1

c) the drafting of amendments to the Road Use Bylaw to enable regulation of The Strand to:
i. be a shared zone with pedestrians
ii. have authorised vehicle only access.

CARRIED

6.4 CARRY FORWARDS FOR CAPITAL PROGRAMME 2025-26

Supplementary Agenda item 6.7 document number A5941060, pages 15 - 20 refers.

RESOLUTION 2026/88

Moved: Cr Kelly Stratford
Seconded: Cr John Vujcich

That Council:

a) approves the capital budgets identified in the report "Carry Forwards Capital Programme 2025-26" totalling $140,019,158 being carried forward to the 2026-27 financial year; and

b) notes that carrying these budgets forward does not commit Council to spending the full amount in 2026-27, and that capital expenditure continues to be funded as it is incurred; and

c) notes that staff will report capital delivery progress quarterly to Te Miromiro Committee for Assurance, Risk and Finance; and

d) notes that the affordability, scale and phasing of the capital programme will be considered through the Long Term Plan 2027-37.

CARRIED

7 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2026/89

Moved: Kahika - Mayor Moko Tepania
Seconded: Cr Kelly Stratford

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
8.6 - Far North Holdings Limited – Proposed Disposal of Premises	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 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
8.2 - Rating Sale Endorsement - Allotment 117, Pupuke Mangapa Road, Kaeo	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(g) - the withholding of the information is necessary to maintain legal professional	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

	privilege s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	
8.3 - Proposed Far North District Plan Appeals - Appeals Management and Governance	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	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
8.4 - 11 Matthews Avenue, Kaitaia	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities 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
8.4 - Council Public Excluded Open Resolutions - September 2026	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege 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
8.5 - Confirmation of Previous Minutes - Public Excluded	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on,	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

	without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	

And that the below named are permitted to join the Public Excluded part of the meeting:

- **Kaiwhakawhiti Reo – Language Interpreter Kawiti Waetford**
- **Community Board Chairs Bill Subritzky, Jessie McVeagh and Belinda Ward**
- **Far North Holdings Limited Chief Operating Officer Robert Binney in relation to item 8.6**
- **Tim Fischer in relation to item 8.2**
- **Graham Day Law North in relation to item 8.1**

Abstained: Cr Davina Smolders

CARRIED

CONFIRMATION OF INFORMATION AND DECISIONS TO BE RELEASED IN PUBLIC

At the conclusion of the public excluded session, Council confirmed that the information discussed during the public excluded part of the meeting would remain confidential and not be released into the public record.

Secretarial note: At 5:17pm, the meeting resumed in open session. Agenda items 7.1, 7.2, 8.4 and 8.5 were deferred to the 22 October 2026 Council meeting.

At 5:17 pm, Crs Arohanui Allen and Tāmati Rākena left the meeting
At 5:20 pm, Cr Arohanui Allen returned to the meeting.

6 NGĀ PŪRONGO / REPORTS CONTINUED

6.5 ADOPTION OF HE KĀINGA MANA - HOUSING STRATEGY

Agenda item 6.3 document number A5948827, pages 71 - 117 refers.

RESOLUTION 2026/90

Moved: Cr Kelly Stratford
Seconded: Kahika - Mayor Moko Tepania

That Council:

a) adopt the *He Kāinga Mana Housing Strategy* at Attachment 1

b) authorise the Chief Executive to make any necessary minor drafting amendments to the strategy document to correct errors or omissions.

Against: Crs Rachel Baucke, Ann Court and Davina Smolders

CARRIED

6.6 TE PATUKEHA IWI - HAPŪ ENVIRONMENTAL MANAGEMENT PLAN

Agenda item 6.4 document number A5954187, pages 118 - 245 refers.

RESOLUTION 2026/91

Moved: Cr Kelly Stratford
Seconded: Cr Hilda Halkyard-Harawira

That Council:

a) receive the report *Te Patukeha Iwi Hapū Environmental Management Plan*;

b) note that Te Kuaka Te Ao Māori Committee, at its meeting on 23 September 2025, resolved to recommend that Council endorse the Te Patukeha Iwi Hapū Environmental Management Plan;

c) formally approve the Te Patukeha Iwi Hapū Environmental Management Plan as a reference document to inform Council's planning, policy, consenting, operational and decision-making processes where relevant; and

d) note that approval does not approve additional funding or commit Council to implementing all actions identified in the plan, and that any future funding or project commitments will be considered through the appropriate Council processes.

Abstained: Crs Rachel Baucke and Davina Smolders

CARRIED

Secretarial note: Cr Ann Court requested that the following words spoken by Cr Halkyard-Harawira be recorded in the minutes: "I don't stomach lies and people who thieve off Māori".

At 5:36 pm, Cr Hilda Halkyard-Harawira left the meeting.

6.7 FAR NORTH HOLDINGS LTD - STATEMENT OF INTENT

Agenda item 6.5 document number A5946116, pages 246 - 249 refers

RESOLUTION 2026/92

Moved: Cr John Vujcich
Seconded: Cr Kelly Stratford

That Council agrees to the Far North Holdings Limited Statement of Intent for the year ending 30 June 2027, which covers the period 1 July 2026 to 30 June 2029, in accordance with the Local Government Act 2002.

Against: Cr Davina Smolders

CARRIED

6.8 IAF KAIKOHE WASTEWATER AND WATER RETICULATION PROJECTS

Agenda item 6.6 document number A5942162, pages 268 - 272 refers

RESOLUTION 2026/93

Moved: Cr John Vujcich
Seconded: Cr Felicity Foy

That Council:

a) approve a variation to Contract 7/25/023 (Kaikohe IAF Wastewater Reticulation Upgrades) for additional wastewater reticulation upgrade works to meet the IAF project scope valued at $2,700,000, and

b) increase the total contract value to $ 14,011,276.00, and

c) delegate to the Chief Executive authority to execute this variation, and

d) the reallocation of LTP24/27 water and wastewater project budgets to support the

completion of the IAF water and wastewater upgrades, being:

I. wastewater $1,198,500

II. water $600,000.

Against: Cr Ann Court

CARRIED

Secretarial note: Following discussion on the Kaikohe IAF Wastewater Reticulation Upgrades project, members requested a post-project review and reporting to Te Koukou on lessons learned and opportunities for improvement in future projects.

8 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

At 5:59 pm, Kahika Moko Tepania closed the meeting with a karakia.

9 MEETING CLOSE

The meeting closed at 5:58 pm.

The minutes of this meeting will be confirmed at the Ordinary Council Meeting held on 22 October 2026.

.....

CHAIRPERSON

5.2 COMMUNITY BOARD MINUTES

File Number: **A5993182**

Author: **Marysa Maheno, Democracy Advisor**

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

TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide an overview of resolutions made by Community Boards with an opportunity for Chairpersons to speak with Council about pertinent discussions held at Community Board.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Minutes from Te Hiku, Kaikohe-Hokianga and Bay of Islands-Whangaroa Community Board meetings are attached for Council information.

TŪTOHUNGA / RECOMMENDATION

That Council note the minutes from the following Community Board meetings:

a) **Te Hiku Community Board Meeting held 28 September 2026;**
b) **Kaikohe-Hokianga Community Board Meeting held 30 September 2026;**
c) **Bay of Islands-Whangaroa Community Board Meeting held 1 October 2026.**

1) TĀHUHU KŌRERO / BACKGROUND

This report is to provide Council with an overview of resolutions made at Community Board meetings and for Community Board Chairpersons to raise any Community Board issues with Council.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

From time-to-time Community Boards may make recommendations to Council. This report is not considered to be the appropriate mechanism for Council to make a decision from a Community Board recommendation. Council could however move a motion to formally request a report on a particular matter for formal consideration at a subsequent meeting. The report would then ensure that Council have sufficient information to satisfy the decision-making requirements under the Local Government Act 2002 (sections 77-79).

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

There are no financial implications or need for budget provision in considering this report.

ĀPITIHANGA / ATTACHMENTS

1. **2026-09-28 Te Hiku Community Board Minutes - A5977217**
2. **2026-09-30 Kaikohe-Hokianga Community Board Minutes - A5985047**
3. **2026-10-01 Bay of Islands-Whangaroa Community Board Minutes - A6012364**

UNCONFIRMED

MINUTES OF
TE HIKU COMMUNITY BOARD MEETING
HELD AT THE CONFERENCE ROOM - TE AHU, CNR STATE HIGHWAY 1 AND MATHEWS AVENUE, KAITAIA
ON MONDAY, 28 SEPTEMBER 2026 AT 10:03AM

PRESENT: Chairperson William (Bill) Subritzky, Deputy Chairperson Trevor Beatson (VC), Member Adele Gardner, Member Krystal-Rose Taaffe, Member Eddie Bellas, Member Hilda Halkyard-Harawira, Member Rachel Baucke

STAFF PRESENT: Beverly Mitchell (Community Board Coordinator), Kathryn Trewin (Funding Advisor), Tayarni McGee-Rivington (Project Manager), Katy Simon (Adaptation Programme Lead), Marlema Baker (Te Kuaka Committee Coordinator), Jolene Rupapera (Kaiarahi Kaupapa Māori)

1 KARAKIA TIMATANGA / OPENING PRAYER

Meeting has started with karakia from Member Krystal-Rose Taaffe.

2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND CONFLICTS OF INTEREST

APOLOGY

RESOLUTION 2026/144

Moved: Member Adele Gardner
Seconded: Member Eddie Bellas

That the apology received from Member Mike Te Wake be accepted and leave of absence granted and that Conflict of interest be noted for Member Eddie Bellas relating to item 6.4C.

CARRIED

3 NGĀ TONO KŌRERO / DEPUTATIONS

- Dr Maria Baker – CEO Te Hiku Hauora

4 NGĀ KAIKŌRERO / SPEAKERS

- Danielle Moa - Doubtless Bay Business Association Inc – Mangōnui Waterfront Festival 2027 (VC)
- Kirra - Royal New Zealand Society for the Prevention of Cruelty to Animals - for Community Animal Desexing
- Samara Nicholas - Mountains to Sea Conservation Trust – Growing Ocean Kaitiaki

At 10:38am, Member Rachel Baucke left the meeting.

UNCONFIRMED

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

5.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 6.1 document number A5957405, pages 8 - 9 refers

RESOLUTION 2026/145

Moved: Member Eddie Bellas
Seconded: Member Adele Gardner

That Te Hiku Community Board confirm the minutes of the ordinary meeting held 31 August to be a true and correct record.

CARRIED

5.2 CONFIRMATION OF PREVIOUS KAITĀIA, WAIHARARA AND KAIKINO AND MOTUTANGI DRAINAGE AREA COMMITTEE MINUTES

Agenda item 6.2 document number A5961567, pages 16 - 17 refers

RESOLUTION 2026/146

Moved: Member Eddie Bellas
Seconded: Member Adele Gardner

That Te Hiku Community Board note the minutes of the following meetings held 10 September 2026:

- **Kaitāia Drainage Area Committee,**
- **Motutangi Drainage Area Committee, and**
- **Waiharara and Kaikino Drainage Area Committee**

CARRIED

6 NGĀ PŪRONGO / REPORTS

6.1 QUARTERLY CAPITAL DELIVERY PROJECT STATUS REPORT

Agenda item 7.1 document number A5928587, pages 24 - 27 refers

RESOLUTION 2026/147

Moved: Member Eddie Bellas
Seconded: Member Krystal-Rose Taaffe

That the Te Hiku Community Board receive the quarterly Capital Delivery project status report.

CARRIED

UNCONFIRMED

6.2 PROJECT FUNDING REPORTS

Agenda item 7.2 document number A5956859, pages 28 - 29 refers

RESOLUTION 2026/148

Moved: Member Adele Gardner
Seconded: Member Hilda Halkyard-Harawira

That Te Hiku Community Board note the project reports received from:

a) Ahipara Coast Patrol

b) Far North Torpedo Competition

c) Houhora Golf Club (Bore)

d) Kaitaia Knights Chess Club

e) Screen Northland

f) Te Hapua Sports and Recreation Club (Drainage)

CARRIED

At 11:38am meeting was adjourned and at 11:50am reconvened.

6.3 SUMMER 2026 RURAL TRAVEL FUNDING APPLICATIONS

Agenda item 7.3 document number A5957057, pages 53 - 55 refers

RESOLUTION 2026/149

Moved: Member Eddie Bellas
Seconded: Member Hilda Halkyard-Harawira

That Te Hiku Community Board allocates Rural Travel Grant funding in accordance with the recommendations received from Sport Northland as follows:

a) Te Rarawa Rugby Club - Cricket $1,000
b) Te Hapua Sports and Recreation Club $2,120
TOTAL $3,120

CARRIED

6.4 FUNDING APPLICATIONS

Agenda item 7.4 document number A5957035, pages 57 - 61 refers

RESOLUTION 2026/150

Moved: Member Eddie Bellas
Seconded: Member Adele Gardner

a) That Te Hiku Community Board rescind resolution 2025/93 for the sum of $500 as granted from the Board's Community Grant Fund account on 2 September 2025 to Pompallier Catholic School for costs towards a Christmas Production at Te Ahu Centre.

CARRIED

UNCONFIRMED

6.4 FUNDING APPLICATION

COMMITTEE RECOMMENDATION

Moved: Member Eddie Bellas

Seconded: Member Hilda Halkyard-Harawira

In Favour: Nil

Against: Chairperson William (Bill) Subritzky, Deputy Chairperson Trevor Beatson and Members Adele Gardner, Mike Te Wake, Krystal-Rose Taaffe, Eddie Bellas and Hilda Halkyard-Harawira

b) That Te Hiku Community Board approve the request from Jacman Entertainment Ltd to allow the sum of $4,000 (plus GST if applicable) as paid from the Board's Community Grant Fund account by resolution 2026/13 on 10 March 2026 for costs towards the 2026 Savour Food Festival be retained by the applicant and used for the 2027 Savour Food Festival.

LOST

6.4 FUNDING APPLICATION

RESOLUTION 2026/151

Moved: Member Krystal-Rose Taaffe
Seconded: Member Adele Gardner

c) That Te Hiku Community Board leave to lie application for the sum of $5,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Doubtless Bay Business Association Inc for costs towards 2027 Mangōnui Waterfront Festival.

CARRIED

6.4 FUNDING APPLICATION

RESOLUTION 2026/152

Moved: Member Hilda Halkyard-Harawira
Seconded: Member Adele Gardner

d) That Te Hiku Community Board approve the request the sum of $4,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Royal New Zealand Society for the Prevention of Cruelty to Animals for costs towards free community animal desexing.

CARRIED

6.4 FUNDING APPLICATION

RESOLUTION 2026/153

Moved: Member Adele Gardner
Seconded: Member Eddie Bellas

e) That Te Hiku Community Board approve the sum of $575 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Far North Budgeting Management Inc for costs towards a Community Events Calendar on Te Hiku Connect.

CARRIED

6.4 FUNDING APPLICATION

RESOLUTION 2026/154

Moved: Member Eddie Bellas
Seconded: Member Adele Gardner

f) That Te Hiku Community Board leave to lie the request for the sum of $3,900 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Sherry Pomare for costs towards Te Manawa Puoro.

CARRIED

6.4 FUNDING APPLICATION

RESOLUTION 2026/155

Moved: Member Adele Gardner
Seconded: Member Eddie Bellas

g) That Te Hiku Community Board leave to lie the request for the sum of $5,121 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Mountains to Sea Conservation Trust for costs towards the Growing Ocean Kaitiaki in the Far North

CARRIED

6.4 FUNDING APPLICATION

TŪTOHUNGA / RECOMMENDATION

~~h) That Te Hiku Community Board decline the sum of $3,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Torongo Pene for costs towards Te Hiku rangatahi guitar and composing wānanga.~~

WITHDRAWN

7 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

7.1 COMMUNITY PANELS UPDATES - STAGE ONE COMMUNITY ADAPTATION PLANNING

Agenda item 8.1 document number A5950608, pages 75 - 79 refers

RESOLUTION 2026/156

Moved: Member Eddie Bellas
Seconded: Member Hilda Halkyard-Harawira

That Te Hiku Community Board receive the report Community Panels Updates - Stage One Community Adaptation Planning.

CARRIED

7.2 CHAIRPERSON AND MEMBERS REPORTS

Agenda item 8.2 document number A5948785, pages 90 - 90 refers

RESOLUTION 2026/157

Moved: Member Adele Gardner
Seconded: Chairperson William (Bill) Subritzky

That Te Hiku Community Board note the 28 September 2026 member reports from Chairperson Bill Subritzky, and members: Adele Gardner and (Hilda Halkyward-Harawira August report).

CARRIED

Secretarial note: *The matter relating to the memorial seat for Stanley Julian in Taipa has been successfully resolved.*

Note: verbal monthly reports from Members Taaffe and Bellas and Deputy Chairperson Trevor Beatson received.

7.3 THCB OPEN RESOLUTIONS REPORT

Agenda item 8.3 document number A5960288, pages 103 - 103 refers

RESOLUTION 2026/158

Moved: Member Adele Gardner
Seconded: Member Eddie Bellas

That Te Hiku Community Board receive the report THCB Open Resolutions Report for September 2026.

CARRIED

DRY SEASON EMERGENCY PREPAREDNESS

RESOLUTION 2026/159

Moved: Chairperson William (Bill) Subritzky
Seconded: Member Adele Gardner

That Te Hiku Community Board request:

a) that Te Hiku Community Board members receive appropriate training and participate in a workshop to prepare for the upcoming dry season, including possible drought conditions and increased fire risks, and

b) that suitable emergency preparedness resources be provided to support this preparation.

CARRIED

8 TE KAPINGA HUI / MEETING CLOSE

The meeting closed at 12:59pm with karakia from member Krystal-Rose Taaffe.

The minutes of this meeting will be confirmed at the Te Hiku Community Board Meeting held on 27 October 2026.

.....

CHAIRPERSON

UNCONFIRMED

MINUTES OF THE KAIKOHE-HOKIANGA COMMUNITY BOARD MEETING HELD AT THE COUNCIL CHAMBER, MEMORIAL AVENUE, KAIKOHE ON WEDNESDAY, 30 SEPTEMBER 2026 AT 10:00AM

PRESENT: Chairperson Jessie McVeagh, Member Arohanui Allen, Member Eddie Court, Member Denis Orme, Member Kelly van Gaalen, Member John Vujcich

STAFF PRESENT: Piripi Rākena (Kaiarahi Kaupapa Māori), Kathryn Trewin (Funding Advisor), Peggy Veen (Principal Advisor), Robin Rawson (Parks & Reserves Planner), Tayarni McGee-Rivington (Project Manager), Marysa Maheno (Democracy Advisor).

STAFF ONLINE Aylah Williams (Transportation Support Officer).

1 KARAKIA TIMATANGA / OPENING PRAYER

The meeting commenced with karakia and mihi.

2 NGĀ KŌRERO A TE HEAMANA / CHAIRPERSON ANNOUNCEMENTS

Chair Jessie McVeagh acknowledged the passing of Nicki Williams and Rihari Dargaville.

3 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND CONFLICTS OF INTEREST

APOLOGY

RESOLUTION 2026/99

Moved: Member Kelly van Gaalen
Seconded: Member John Vujcich

That the apology received from Deputy Chair Scarlet Mokaraka and Member Doug Te Wake be accepted and leave of absence granted.

CARRIED

4 TE WĀHANGA TŪMATANUI / PUBLIC FORUM

- Kathleen Reihana spoke on behalf of the Mid North Pop-Up Play Trust to present their business to the community board.
- Linda Bracken spoke on behalf of the Kaikohe Business Association requesting an update on the $57K that was put aside for development along the main street in Kaikohe.
- Neil Phillips spoke in regard to rocks taken from the Hokianga Harbour.
- Charlie Leuenberger spoke in regard to roading issues with the access way in to and out of Mountain Road near Koutu.
- Josephine Farthing-Aperahama spoke regarding raising awareness of current activity taking place on top of a historical wāhi tapu located along the main street of Kaikohe behind the Thursday markets area.

5 NGĀ TONO KŌRERO / DEPUTATIONS

- Sandra Mutu spoke on behalf of the Utakura, Horeke, Motukiore Districts Community Trust to request Far North District Council support with lawn mowing and line marking for the Horeke Sports Complex.
- Becca Thomas & Dan Lambert from Kaikohe East School spoke to their presentation regarding the creation and installation of tamariki-designed stormwater drain plaques or markers around Kaikohe East School and the surrounding streets.

UNCONFIRMED

Attachments tabled at meeting

1 Deputation Presentation - Horeke Primary School Support Letter for Maraeroa Sports Complex Maintenance
2 Deputation Presentation - Maraeroa Sports Complex Proposal Continued
3 Deputation Presentation - Kaikohe East School

6 NGĀ KAIKŌRERO / SPEAKERS

- Georgie Read spoke to item 7.4a, funding application for Wekaweka Hall Management Committee.
- Tania Pene spoke to item 7.4c, funding application for the Kaikohe Business Association

The meeting adjourned from 11:24 am and reconvened at 11:52 am.
Member Arohanui Allen left during the adjournment.

7 TE WHAKAAETANGA O NGĀ MENETI O MUA / CONFIRMATION OF PREVIOUS MINUTES

7.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 6.1 document number A5951889, pages 8 - 13 refers

RESOLUTION 2026/100

Moved: Member Kelly van Gaalen
Seconded: Member John Vujcich

That the Kaikohe-Hokianga Community Board confirm the minutes of the meeting held 2 September 2026 to be a true and correct record.

CARRIED

8 NGĀ PŪRONGO / REPORTS

8.1 KAIKOHE MEMORIAL PARK - RESERVES ACT CLASSIFICATION RECOMMENDATION

Agenda item 7.1 document number A5855660, pages 14 - 25 refers

RESOLUTION 2026/101

Moved: Chairperson Jessie McVeagh
Seconded: Member Denis Orme

That the Kaikohe-Hokianga Community Board:

a) receive the report Kaikohe Memorial Park – Reserves Act Classification Recommendation; and

b) recommend that Council classifies the following lot as a Recreation Reserve; Lot 1 DP 89178.

Abstained: Cr Jessie McVeagh

CARRIED

Member Arohanui Allen returned at 12:10PM.

UNCONFIRMED

8.2 QUARTERLY CAPITAL DELIVERY PROJECT STATUS REPORT

Agenda item 7.2 document number A5930559, pages 26 - 29 refers

RESOLUTION 2026/102

Moved: Member John Vujcich
Seconded: Chairperson Jessie McVeagh

That the Kaikohe - Hokianga Community Board receive the quarterly Capital Delivery project status report.

CARRIED

8.3 NEW ROAD NAME: WAIMA TOPU B BLOCK, STATE HIGHWAY 12

Agenda item 7.3 document number A5954906, pages 30 - 37 refers

RESOLUTION 2026/103

Moved: Chairperson Jessie McVeagh
Seconded: Member Denis Orme

That Kaikohe-Hokianga Community Board allocate the name "Pukekura Rise" to a private road located at Waimā Tōpu B Block, State Highway 12.

CARRIED

8.4 FUNDING APPLICATIONS

Agenda item 7.4 document number A5957078, pages 38 - 50 refers

RESOLUTION 2026/104

Moved: Chairperson Jessie McVeagh
Seconded: Member Kelly van Gaalen

a) That Kaikohe-Hokianga Community Board approve the sum of $3,000 (plus GST if applicable) be paid from the Board's Pride of Place Grant Fund account to Wekaweka Hall Management Committee for costs towards the purchase of a generator for the hall.

CARRIED

8.4 FUNDING APPLICATIONS

Agenda item 7.4 document number A5957078, pages 38 - 50 refers

RESOLUTION 2026/105

Moved: Member Denis Orme
Seconded: Member John Vujcich

b) That Kaikohe-Hokianga Community Board approve the sum of $1,850 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Rob Pink for costs towards replenishing sand on Rāwene Beach.

CARRIED

UNCONFIRMED

8.4 FUNDING APPLICATION

Agenda item 7.4 document number A5957078, pages 38 - 50 refers

RESOLUTION 2026/106

Moved: Chairperson Jessie McVeagh
Seconded: Member Denis Orme

c) That Kaikohe-Hokianga Community Board leave to lie the funding application from the Kaikohe Business Association for costs towards Kaikohe Christmas Parade.

CARRIED

8.4 FUNDING APPLICATIONS

Agenda item 7.4 document number A5957078, pages 38 - 50 refers

RESOLUTION 2026/107

Moved: Member Kelly van Gaalen
Seconded: Chairperson Jessie McVeagh

d) That Kaikohe-Hokianga Community Board leave to lie the funding application from Robert Harris for costs Pikipāria Marae carving project.

CARRIED

8.4 FUNDING APPLICATIONS

Agenda item 7.4 document number A5957078, pages 38 - 50 refers

RESOLUTION 2026/108

Moved: Member Kelly van Gaalen
Seconded: Chairperson Jessie McVeagh

e) That Kaikohe-Hokianga Community Board approve the request from Jacman Entertainment for sum of $4,000 (plus GST if applicable) as granted on 6 May 2026 as Resolution 2026/39 and paid from the Board's Community Grant Fund account to Jacman Entertainment Ltd for costs Savour 2026 be retained and used for Savour 2027.

CARRIED

8.5 SUMMER 2026 RURAL TRAVEL FUNDING APPLICATIONS

Agenda item 7.5 document number A5957080, pages 51 - 54 refers

RESOLUTION 2026/109

Moved: Chairperson Jessie McVeagh
Seconded: Member Kelly van Gaalen

That Kaikohe-Hokianga Community Board allocates Rural Travel Grant funding in accordance with the recommendations received from Sport Northland as follows:

a) Tupuhaere ki te rangi (Tautoro Titans Rugby League $1,900

b) Hokianga Sports Club $1,900

TOTAL $3,800

CARRIED

UNCONFIRMED

8.6 PROJECT FUNDING REPORTS

Agenda item 7.6 document number A5957084, pages 55 - 61 refers

RESOLUTION 2026/110

Moved: Member Kelly van Gaalen
Seconded: Member John Vujcich

That the Kaikohe-Hokianga Community Board note the project reports received from:

a) Kaikohe Business Association

b) Kaikohe Community Patrol

CARRIED

8.7 CHAIRPERSON AND MEMBERS REPORTS

Agenda item 7.7 document number A5528258, pages 62 - 67 refers

RESOLUTION 2026/111

Moved: Member Denis Orme
Seconded: Member John Vujcich

That the Kaikohe-Hokianga Community Board note the member report from Chair McVeagh.

CARRIED

9 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

9.1 COMMUNITY PANEL UPDATES - STAGE ONE COMMUNITY ADAPTATION PLANNING

Agenda item 8.1 document number A5950606, pages 67 - 81 refers

RESOLUTION 2026/112

Moved: Chairperson Jessie McVeagh
Seconded: Member Arohanui Allen

That the Kaikohe-Hokianga Community Board receive the report Community Panel Updates - Stage One Community Adaptation Planning .

CARRIED

9.2 OPEN RESOLUTIONS AND ACTION POINTS UPDATE - SEPTEMBER 2026

Agenda item 8.2 document number A5951907, pages 82 - 83 refers

RESOLUTION 2026/113

Moved: Member Kelly van Gaalen
Seconded: Member John Vujcich

That the Kaikohe-Hokianga Community Board receive the report Open Resolutions and Action Points Update - September 2026.

CARRIED

10 HE PĀNUI WHAKAMŌTINI / NOTICE OF MOTION

Secretarial Note: The motion was lost due to lack of seconder. In accordance with Standing Order 3.9.7 the motion is not included in the minutes.

UNCONFIRMED

11 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

Member Eddie Court closed the meeting with karakia.

12 TE KAPINGA HUI / MEETING CLOSE

The meeting closed at 12:52PM.

The minutes of this meeting will be confirmed at the Kaikohe-Hokianga Community Board Meeting held on 30 October 2026.

.....

CHAIRPERSON

UNCONFIRMED

MINUTES OF
BAY OF ISLANDS-WHANGAROA COMMUNITY BOARD MEETING
HELD AT THE TURNER CENTRE, 43 COBHAM ROAD, KERIKERI
ON THURSDAY, 1 OCTOBER 2026 AT 10:04 AM

PRESENT: Chairperson Belinda Ward, Member Jo Alexander, Member Korey Atama, Member Jane Hindle, Councillor Arohanui Allen, Councillor Ann Court

STAFF PRESENT: Lawrence Wharerau (Kaiarahi Kaupapa Māori), Tanya Proctor (Head of Infrastructure Transition)(VC), Tayarni McGee-Rivington (Projects Manager), Kathryn Trewin (Funding Advisor), Michelle Rockelle (Executive Projects Lead), Rhonda-May Whiu (Democracy Advisor), Imrie Dunn (Democracy Advisor)

1 KARAKIA TIMATANGA / OPENING PRAYER

At 10:04 am, Chairperson Belinda Ward opened the meeting.

2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND CONFLICTS OF INTEREST

APOLOGY

RESOLUTION 2026/77

Moved: Chairperson Belinda Ward
Seconded: Member Korey Atama

That the apology received from Members Dane Hawker, Roddy Hapati-Pihema and Deputy Chairperson Tyler Bamber be accepted and leave of absence granted.

CARRIED

Note: Chairperson Belinda Ward declared a perceived conflict of interest in relation to agenda item 7.1(f).

3 NGĀ TONO KŌRERO / DEPUTATIONS

- Kipa Munro, representing Te Puāwaitanga Governance Group, provided a verbal submission in relation to Agenda Item 8.1.
- Colin Nicoll provided a verbal submission in relation to Agenda Item 8.1.

4 NGĀ KAIKŌRERO / SPEAKERS

- Lucie Green and Heather Gray representing The Kawakawa Business and Community Association Inc.
- Amanda Bates representing Kerikeri Primary School - Te Hapori Āhuareka o te kapa haka tuatahi o te Kerikeri.
- Alison Ayr representing Our Kerikeri Community Charitable Trust.
- Jackie Sanders representing Jacman Entertainment Ltd
- William Fuller representing Bay of Islands Walkways and Walking Trust
- Collette Kershaw representing Russell Radio
- Kawiti Waetford representing New Zealand Opera Limited

At 11:48 am, meeting adjourned and resumed at 12:00 pm.

UNCONFIRMED

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

5.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 6.1 document number A5959155, pages 8 - 16 refers.

RESOLUTION 2026/78

Moved: Chairperson Belinda Ward
Seconded: Member Jane Hindle

That the Bay of Islands-Whangaroa Community Board confirm the minutes of the meeting held 3 September 2026 as a true and correct record.

CARRIED

6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

6.1 QUARTERLY CAPITAL DELIVERY PROJECT STATUS REPORT

Agenda item 8.1 document number A5930128, pages 53 - 55 refers.

RESOLUTION 2026/79

Moved: Member Jane Hindle
Seconded: Member Jo Alexander

That the Bay of Islands – Whangaroa Community Board receive the Quarterly Capital Delivery Project Status Report.

CARRIED

Secretarial note: *The Board discussed several ongoing operational and infrastructure matters and requested updates from staff, including the Klinac Lane toilets, Kerikeri dump station, renewal prioritisation, post-project feedback following tree removals, maintenance budgets and expenditure, and opportunities for Board input into prioritising amenity and reserve improvements.*

7 NGĀ PŪRONGO / REPORTS

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/80

Moved: Member Jo Alexander
Seconded: Member Korey Atama

a) That the Bay of Islands-Whangaroa Community Board approve the request from Jacman Entertainment Ltd to allow the sum of $15,379 (plus GST if applicable) as paid from the Board's Community Grant Fund account by resolution 2026/24 on 12 March 2026 for costs towards the 2026 Savour Food Festival be retained by the applicant and used for the 2027 Savour Food Festival.

Abstained: Cr Ann Court

CARRIED

UNCONFIRMED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/81

Moved: Member Jane Hindle
Seconded: Member Jo Alexander

b) That the Bay of Islands-Whangaroa Community Board approve the sum of $5,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Bay of Islands Walkways and Walking Trust for costs towards the brochure publications.

Abstained: Cr Ann Court

CARRIED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/82

Moved: Chairperson Belinda Ward
Seconded: Member Jo Alexander

c) That the Bay of Islands-Whangaroa Community Board approve the sum of $3,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Bay of Islands Marine Radio Association Inc for costs towards their 75th anniversary celebration.

Abstained: Cr Ann Court and Member Korey Atama

CARRIED

At 12:32 pm, Cr Arohanui Allen left the meeting, and rejoined at 12:35 pm.

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/83

Moved: Member Jo Alexander
Seconded: Member Jane Hindle

d) That the Bay of Islands-Whangaroa Community Board approve the sum of $9,189 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Jacman Entertainment Ltd for costs towards 2026 Kerikeri Street Party.

Abstained: Cr Ann Court

CARRIED

UNCONFIRMED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/84

Moved: Chairperson Belinda Ward
Seconded: Member Jo Alexander

e) That the Bay of Islands-Whangaroa Community Board approve the sum of $5,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Our Kerikeri Charitable Community Trust for costs towards 2026 Kerikeri Christmas in the Park.

Abstained: Cr Ann Court

CARRIED

***Secretarial note**: At 12:37pm, Chair Ward vacated the Chair for Item 7.1(f) due to a declared perceived conflict of interest and requested Member Jane Hindle to preside over the item. Chair Ward did not participate in the discussion or debate.*

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/85

Moved: Member Jo Alexander
Seconded: Member Korey Atama

f) That the Bay of Islands-Whangaroa Community Board approve the sum of $6,000 (plus GST if applicable) be paid from the Board's Community Grant Fund account to New Zealand Opera Ltd for costs towards concert at Waitangi Treaty Grounds.

Abstained: Chairperson Belinda Ward and Cr Ann Court

CARRIED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/86

Moved: Member Jane Hindle
Seconded: Member Korey Atama

g) That the Bay of Islands-Whangaroa Community Board leave to lie Funding Application from Kawakawa Business Association for costs towards Kawakawa Christmas in the Park.

Abstained: Cr Ann Court

CARRIED

UNCONFIRMED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/87

Moved: Member Jane Hindle
Seconded: Member Jo Alexander

h) That the Bay of Islands-Whangaroa Community Board approve the sum of $1,066 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Opua Pest Plant Patrol for costs towards replanting areas cleared of pest plants in Opua.

Abstained: Chairperson Belinda Ward and Cr Ann Court

CARRIED

7.1 FUNDING APPLICATIONS

Agenda item 7.1 document number A5962590, pages 17 - 39 refers.

RESOLUTION 2026/88

Moved: Member Jane Hindle
Seconded: Member Korey Atama

i) That the Bay of Islands-Whangaroa Community Board approve the sum of $2,211 (plus GST if applicable) be paid from the Board's Community Grant Fund account to Kerikeri Primary School - Te Hapori Āhuareka o te kapa haka tuatahi o te Kerikeri for cost towards venue and equipment hire costs for their end of year Kapa Haka performance.

Abstained: Cr Ann Court

CARRIED

7.2 SUMMER 2026 RURAL TRAVEL FUNDING APPLICATIONS

Agenda item 7.2 document number A5961554, pages 40 - 43 refers.

RESOLUTION 2026/89

Moved: Chairperson Belinda Ward
Seconded: Member Jane Hindle

That Bay of Islands-Whangaroa Community Board allocates Rural Travel Grant funding in accordance with the recommendations received from Sport Northland as follows:

a) Whangaroa College decline

b) Bay of Islands Amateur Swimming Club $1,900

TOTAL: $1,900

Abstained: Cr Ann Court and Member Korey Atama

CARRIED

7.3 PROJECT FUNDING REPORTS

Agenda item 7.3 document number A5961964, pages 44 - 52 refers.

RESOLUTION 2026/90

Moved: Chairperson Belinda Ward
Seconded: Member Jo Alexander

That the Bay of Islands-Whangaroa Community Board note the project reports received from:

a) Ngāti Kuta ki Te Rāwhiti Charitable Trust

b) Te Rūnanga o Whaingaroa

CARRIED

6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS CONTINUED

6.2 CHAIRPERSON AND MEMBERS REPORTS

Agenda item 8.2 document number A5954929, pages 56 - 62 refers.

RESOLUTION 2026/91

Moved: Member Jo Alexander
Seconded: Member Jane Hindle

That the Bay of Islands-Whangaroa Community Board note the October 2026 member reports from Chair Belinda Ward and Members Jo Alexander and Dane Hawker.

CARRIED

Secretarial note: *The Board discussed recent communications relating to capital projects and noted concerns that notifications for some works, including the Williams Road pathway project, were issued too close to project commencement. Members requested improved communication and earlier engagement with elected members for future projects. The Board also requested updates on the Fairy Pools Reserve, including remediation works and reopening timeframes ahead of the 2026/27 summer season, and sought a report on growth, parking, and transport challenges along Hall Road and Kerikeri Road to inform future planning considerations.*

At 1:07 pm, Cr Arohanui Allen left the meeting.

6.3 BAY OF ISLANDS-WHANGAROA COMMUNITY BOARD OPEN RESOLUTION AND ACTIONS UPDATE REPORT

Agenda item 8.3 document number A5959165, pages 63 - 70 refers.

RESOLUTION 2026/92

Moved: Chairperson Belinda Ward
Seconded: Member Jo Alexander

That the Bay of Islands-Whangaroa Community Board receive the Bay of Islands-Whangaroa Community Board Open Resolution and Actions Update Report.

CARRIED

UNCONFIRMED

8 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2026/93

Moved: Chairperson Belinda Ward
Seconded: Member Jane Hindle

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
9.1 - Te Puāwaitanga commercial development enablement and land transfer proposal	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 s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities 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

And that the below named are permitted to join the Public Excluded part of the meeting:

- **FNHL Senior Development Manager Andrew Bere-Adams**
- **FNHL Chief Operating Officer Rob Binney**
- **FNHL General Manager - Engineering Adrian Tonks**

CARRIED

CONFIRMATION OF INFORMATION AND DECISION TO BE RELEASED IN PUBLIC:

During the public excluded part of the meeting, the Bay of Islands-Whangaroa Community Board resolved that the information and decisions made in public excluded session would remain confidential and would not be restated in the public meeting.

6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS CONTINUED

6.4 ANALYSIS OF PUBLIC CONSULTATION RESULTS AND DECISION MAKING ON THE PROPOSED SALE OR LEASE OF A PORTION OF PARK LAND AT 1936 SH10, WAIPAPA, HOME OF TE PUĀWAITANGA - BAY OF ISLANDS SPORTS HUB

Agenda item 8.4 document number A5956442, pages 71 - 81 refers.

RESOLUTION 2026/94

Moved: Chairperson Belinda Ward
Seconded: Member Jo Alexander

That the Bay of Islands-Whangaroa Community Board:

a) receive the report Analysis of public consultation results and decision making on the proposed sale or lease of a portion of park land at 1936 SH10, Waipapa, home of Te Puāwaitanga - Bay of Islands Sports Hub.

b) provide any comments or feedback for inclusion in a report to Te Koukou Committee for Transport and Infrastructure on the recommendation to Council, being Option 1 as noted within the body of the report.

CARRIED

9 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

At 3:43 pm, Chairperson Belinda Ward closed the meeting.

10 TE KAPINGA HUI / MEETING CLOSE

The meeting closed at 3:43 pm.

The minutes of this meeting will be confirmed at the Bay of Islands-Whangaroa Community Board Meeting held on 29 October 2026.

.....

CHAIRPERSON

6 NGĀ PŪRONGO / REPORTS

6.1 DRAFT COMMUNITY BOARD ACCORD FOR ADOPTION

File Number: **A5947439**

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

Authoriser: **Jacine Warmington, Group Manager - Strategic Relationships**

TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek Council adoption of the Community Board Accord and authorisation for its implementation as the governance framework guiding the working relationship between Far North District Council and its three Community Boards.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- The Community Board Accord has been developed through Combined Community Board Workshops, discussions with Community Board Chairpersons, and review against the Community Boards Executive Committee (CBEC) and Local Government New Zealand Better Together framework.
- The Accord establishes a shared understanding of roles, responsibilities, communication protocols, governance expectations and principles of engagement between Council and Community Boards.
- The Accord supports stronger governance relationships, improved communication, enhanced community advocacy and more effective local decision-making.
- The Accord is a governance and relationship document and does not replace or amend statutory responsibilities, delegations, Standing Orders, Codes of Conduct or Council policies.
- All three Community Boards have participated in developing the Accord and have expressed support for its adoption.
- Council is now asked to adopt the Community Board Accord and authorise its implementation.

TŪTOHUNGA / RECOMMENDATION

That Council:

a) Adopt the Community Board Accord attached as Attachment 2.

b) Note that the Community Board Accord is a governance and relationship framework intended to guide the working relationship between Far North District Council and:

- **Te Hiku Community Board;**
- **Kaikohe-Hokianga Community Board; and**
- **Bay of Islands-Whangaroa Community Board.**

c) Note that the Community Board Accord does not amend, replace or override:

- **the Local Government Act 2002;**
- **Community Board delegations;**
- **Standing Orders;**
- **Codes of Conduct;**
- **Council policies; or**
- **Council's statutory responsibilities and decision-making authority.**

d) Note that all three Community Boards participated in the development of the Accord through Combined Community Board Workshops and engagement with Community Board Chairpersons and support its adoption.

e) Authorise the Mayor to execute the Community Board Accord on behalf of Far North District Council.

f) Direct the Chief Executive to implement the Accord and develop supporting schedules including:

- **review of Community Board delegations;**
- **Community Board strategic plans and work programmes;**
- **engagement and partnership plans;**
- **operating rhythms and communication protocols; and**
- **reporting and monitoring templates.**

g) Authorise the Chief Executive to make minor editorial, formatting and administrative amendments prior to publication.

1) TĀHUHU KŌRERO / BACKGROUND

Far North District Council has three Community Boards that represent and advocate for local communities across the district. Community Boards play an important role in local democracy by providing a vital link between Council and the communities they serve.

While legislation establishes the functions and powers of Community Boards, effective governance arrangements rely on strong relationships, clear communication, mutual trust and a shared understanding of roles and responsibilities between Council and its Community Boards.

During the current triennium, a series of Combined Community Board Workshops were held to explore opportunities to strengthen the Council-Community Board relationship and enhance the contribution Community Boards make to local leadership, community engagement and advocacy. Following these discussions, and subsequent refinement with Community Board Chairpersons, the Community Board Accord was developed.

The Community Board Accord has been reviewed and supported by all three Community Boards. Community Board Chairpersons have been involved in its development and have indicated support for the Accord being presented to Council for adoption.

The purpose of the Accord is to:

- clarify roles, responsibilities and expectations;
- strengthen collaborative governance practices;
- improve communication and information sharing;
- establish agreed principles and ways of working;
- enhance community representation and advocacy; and
- support effective decision-making and positive community outcomes.

The Accord is intended to complement existing legislative requirements, Council policies, delegated authorities, Standing Orders and Codes of Conduct. It does not replace, amend or override Council's statutory responsibilities.

The proposed Accord has been informed by the Community Boards Executive Committee (CBEC) and Local Government New Zealand Better Together Framework.

Unlike the model accords published by CBEC, the Far North District Council Accord adopts a hybrid approach that combines elements of both the "Voice + Delivery" and "Voice + Leadership"

relationship models. This reflects the aspirations of Far North Community Boards to contribute to local leadership, community engagement and locally focused initiatives.

Feedback received from CBEC/LGNZ confirmed that the Accord aligns with the intent and principles of the Better Together framework:
Better together a framework for councils and community boards.pdf.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The Community Board Accord aligns with an emerging local government practice of establishing formal relationship agreements between councils and community boards to support effective governance, communication and community representation.

The Community Board Accord supports Council's commitment to strong local democracy, effective community engagement and collaborative governance. By establishing a shared framework for communication, engagement and decision-making, the Accord strengthens the relationship between Council and Community Boards, supports community voice and advocacy, and contributes to improved outcomes for communities across the Far North District.

Relevant Legislation and Policy

The status, role and powers of Community Boards are established under sections 51-54 and Schedule 7 of the Local Government Act 2002.

The Community Board Accord supports Council's commitment to strong local democracy, meaningful community engagement and collaborative governance.

The Accord aligns with the outcomes and principles contained within Te Pae Tata Long Term Plan 2024-27 by supporting local representation, community participation and the social, environmental, cultural and economic wellbeing of Far North communities.

Legal Status of the Accord

The Accord is not intended to create legally binding obligations.

The Accord establishes a shared framework for communication, engagement, collaboration and governance between Council and Community Boards.

The Accord operates alongside, and remains subordinate to:

- legislation;
- Community Board delegations;
- Standing Orders;
- Codes of Conduct; and
- Council policies.

Where any inconsistency arises, statutory obligations and formal Council decisions prevail.

The following options are presented to Council for consideration.

Option 1: Adopt the Community Board Accord (Recommended)

Advantages

- Confirms a shared governance framework.
- Clarifies expectations and responsibilities.
- Strengthens relationships and communication.
- Supports effective community representation.
- Provides greater certainty regarding engagement and governance processes.

Disadvantages

- Requires ongoing commitment from Council, Community Boards and staff to ensure successful implementation.

Option 2: Support the Accord in Principle and Undertake Further Development

Advantages

- Allows additional discussion on implementation matters.
- Enables further refinement of supporting schedules.

Disadvantages

- Delays implementation.
- Creates uncertainty regarding future governance arrangements.
- Risks losing momentum generated through the development process.
- May create frustration amongst Community Boards that have already supported the Accord.

Option 3: Do Not Adopt the Accord

Advantages

- No implementation requirements.

Disadvantages

- Missed opportunity to strengthen governance relationships.
- Continued uncertainty regarding communication and engagement expectations.
- Reduced clarity regarding accountability and decision-making processes.

Risk and Mitigation

Adoption of the Accord presents low organisational risk.

Potential implementation risks include inconsistent application between Community Boards, delays in developing supporting schedules, and expectations exceeding available resources.

These risks will be mitigated through:

- district-wide implementation of a common framework;
- development of supporting schedules and operating arrangements;
- ongoing monitoring through established reporting processes; and
- clear acknowledgement that the Accord does not alter statutory powers, delegations or Council decision-making authority.

Significance and Engagement

The proposal is considered to be of low significance under Council's Significance and Engagement Policy.

Community Board members have been engaged through a series of Combined Community Board Workshops and direct discussions with Community Board Chairpersons.

Given the Accord relates to governance arrangements between Council and its Community Boards, no additional public consultation is considered necessary.

Implications for Māori

This report does not involve a decision relating to land, water, wāhi tapu or other taonga.

Specific engagement with iwi and hapū has not been undertaken because the report concerns governance arrangements between Council and Community Boards rather than decisions affecting land, water or natural resources.

The Accord nevertheless supports stronger local representation, community participation and collaborative governance, which can assist Council to foster effective relationships across communities throughout the district.

Next Steps

Following Council adoption:

1. The Mayor and Community Board Chairpersons will execute the Accord.
2. Staff will prepare supporting schedules and implementation documents.
3. Community Board delegations will be reviewed.
4. Strategic plans and work programmes will be developed.
5. Engagement and partnership plans will be established.
6. Reporting templates and monitoring arrangements will be implemented.

Review

The Accord will be reviewed within six months following each triennial election, or earlier by agreement between Council and Community Boards.

Any substantive amendments will be referred to Council following consultation with Community Boards.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Staff recommend Option 1.

The Community Board Accord provides a clear and practical framework for strengthening the relationship between Council and its Community Boards. Adoption reflects Council's commitment to local democracy, stronger community representation, enhanced communication and collaborative governance.

The Accord establishes a shared foundation for future cooperation while maintaining Council's statutory responsibilities, delegations and decision-making authority.

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

Adoption of the Community Board Accord has no direct budgetary impact and does not require additional funding provision.

Implementation will be undertaken within existing operational budgets and staffing resources.

Development of supporting schedules, engagement plans, reporting arrangements and work programmes will require staff time but can be accommodated through existing resources.

Community Board member remuneration is determined separately through the Remuneration Authority framework and is not affected by adoption of the Accord. Any future remuneration proposals would be subject to separate consideration by Council and the Remuneration Authority.

ĀPITIHANGA / ATTACHMENTS

1. LGNZ_SupportingStatement_Accord_THCB.KHCB.BWCBFNDC - A5955759
2. Draft Accord - A5955772

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.	The status, role, and powers of community boards are set out specifically in sections 51-54 and the relevant provisions of Schedule 7 of the Local Government Act 2002. This 'Accord' development gives effect to those provisions. The proposal supports the outcomes of Te Pae Tata - Long Term Plan 2024-27 by strengthening local democracy, community representation, engagement, and Council's ability to support the social, cultural, environmental and economic wellbeing of Far North communities.
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.	Views of Community Board Members have been sought through a series of Combined Community Board workshops and direct discussions with the Community Board Chairpersons. The final endorsement or sign-off process by each Community Board should be confirmed before publication of the final signed Accord.
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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	This decision relates to a relationship framework between Council and its Community Boards and does not make a decision about land, water, wāhi tapu or other taonga. No specific Iwi or Hapū engagement has therefore been undertaken for this report. The Accord is intended to support stronger local democracy, community representation and engagement, and the development of future engagement and partnership plans may provide opportunities to better reflect Council's Te Tiriti o Waitangi commitments and strengthen relationships with Iwi and Hapū where appropriate.
Identify persons likely to be affected by or have an interest in the matter, and	The Accord may be of interest to communities represented by the three Community Boards because it

how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	relates to local representation, advocacy and engagement. Community Board Members have been involved in the development process through workshops and Chairperson discussions.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no direct financial implications arising from adoption of the Accord and no immediate budgetary provision is required. Implementation will require staff time. Any future remuneration matters would be separate and subject to Remuneration Authority requirements and any future Council decision-making processes.
Chief Financial Officer review.	The Chief Financial Officer has not reviewed this report. As there are no direct financial implications from adoption of the Accord, CFO review is not considered necessary at this stage. If future remuneration or budgetary matters are progressed, appropriate financial review will be undertaken at that time.

3 September 2026

Stephen FitzHerbert
Senior Strategic Planner
Far North District Council
Stephen.FitzHerbert@fndc.govt.nz

Kia ora Stephen

Council Community Board Accord

Thank you for referring the proposed Accord between the district council and the Te Hiku, Hokianga-Kaikohe and Bay of Islands-Whangaroa community boards to CBEC for comment. As an adviser to CBEC, and as one of team that worked on the design of the Better Together Guide and Template.

I'm happy to say that the draft Accord is fully consistent with the purpose the Accord was designed to achieve.

The most important aspect of the Accord is that it creates an environment in which boards and the governing body can have a conversation about how they will work together over the forthcoming term. This then flows into agreement and clarity about levels of service, communications and role - issues which, when boards and councils have different understandings, can sometimes lead to unnecessary conflict.

Many councils and community boards will be interested in learning more about how you found the process and, once the Accord is formalised, we would be keen to invite representatives to speak at one of the regular national Zoom meetings of community boards should you be interested.

Yours sincerely

Dr Mike Reid
Principal Adviser Governance
Local Government New Zealand

Local Government New Zealand
Level 8, 175 Victoria Street
Te Aro, Wellington 6011
New Zealand

COMMUNITY BOARD–COUNCIL ACCORD

1. Parties

- **Far North District Council** ("the Council")
- **Te Hiku Community Board** ("the Board")
- **Kaikohe-Hokianga Community Board** ("the Board")
- **Bay of Islands-Whangaroa Community Board** ("the Board")

2. Term

This Accord begins on **[date]** and continues until:

- the end of the triennium, or
- the adoption of a replacement Accord.
- a light review will occur annually; a full review will occur within six months after each local election.

3. Purpose & Kaupapa

This Accord strengthens how the Council and the Board work *better together*, drawing on the Community Boards Executive Committee's proposed framework[1] to reset and enhance relationships through trust, clarity, and shared purpose. It explicitly combines:

- **Model 2 – Voice + Delivery**, where the Board codesigns and contributes to delivery of identified local projects, and
- **Model 3 – Voice + Leadership**, where the Board provides place-based leadership, convenes partners, and plays a strategic role in shaping local priorities.

The Accord exists to:

- Ensure decision-making is closer to the people most affected.
- Strengthen accountability, transparency, and community engagement.

[1] Te Komiti Whakahaere o ngā Poari Hapori - Community Boards Executive Committee (CBEC) (2025). *Better Together: A Framework for Councils and Community Boards.* Local Government New Zealand, Wellington.

- Build effective working relationships grounded in whakawhanaungatanga.
- Clarify roles and expectations so councils and boards can work together more constructively.
- Empower the mandate from the Far North public to have Community Board representation that ensures local decision-making and advocacy.

4. Relationship Principles

1. **Whakawhanaungatanga** – investing time in building trust and understanding.
2. **Clarity of Roles** – clear distinction between advisory functions (Model 1), delivery partnerships (Model 2), and leadership roles (Model 3).
3. **Shared Access to Tools & Resources** – both parties commit to joint development, shared training opportunities, and consistent access to information.
4. **Transparency** – open sharing of information, early engagement on decisions, and visible tracing of how Board input is used.
5. **Equity & Inclusion** – recognising unique community realities and ensuring systems enable broader and deeper participation.
6. **Collective Responsibility** – acting in the best interests of the community, not individual preferences or factions.

5. Scope of the Accord

This Accord covers:

5.1 Leadership-at-Place (Model 3)

The Board will provide strengthened leadership across:

- Localised priority-setting and place-based planning.
- Convening partners, organisations, iwi/hapū representatives, and service providers.
- Leading local engagement efforts to ensure diverse community voices are heard.
- Representing the community in regional conversations where appropriate.

5.2 Voice + Delivery (Model 2)

The Board codesigns and contributes to delivery on specific Council-approved projects such as:

- Local placemaking activations
- Wayfinding initiatives
- Low-risk local capital improvements
- Community-led engagement, surveys, co-design sessions

6. Decision-Rights and Delegations

6.1 Decision-Rights Framework

- **Place Priorities (Model 3):**
  The Board co-leads local priority-setting; Council endorses and integrates into wider plans.
- **Local Projects (Model 2):**
  The Board codesigns and contributes to delivery; Council retains approval for scope, budget, and procurement.

6.2 Delegations

The Council will issue an Instrument of Delegation confirming Board authority to:

- Approve local engagement plans.
- Approve pre-defined low-risk local improvements up to **$[threshold]**.
- Sign off localised communications aligned with Council messaging.
- A review of all current Board Delegations will occur within six months of signing the Accord. The report will to identify the required capability and capacity of Boards and directly associated Council staff to ensure Boards are *set up for success* to deliver locally.

6.3 Escalation Path

1. Board Chair ↔ Strategic Relationships Officer
2. Mayor/Deputy Mayor ↔ Board Chair
3. Independent facilitator (if unresolved)

7. Operating Rhythm

7.1 Annual Joint Planning

- **Q1:** Establish yearly Place Priorities & Work Programme
- **Q2–Q3:** Delivery and check-ins
- **Q4:** Public reporting, evaluation, and planning for next year

7.2 Meetings

- Fortnightly leadership triangle: Board Chair / Portfolio Lead / Strategic Relationships Officer
- Monthly delivery forum
- Quarterly relationship health check (as emphasised in the Framework's focus on trust and relational investment).

8. Resourcing & Support

8.1 Board Programme Budget

Council will resource a dedicated Board budget for:

- Local delivery of community grants
- Oversight of relevant operational budgets (e.g., town beautification, amenity lighting, footpaths)
- Engagement and communications
- Evaluation and insight gathering
- Contingency for rapid responses

8.2 Officer Support

Council will provide:

- A dedicated Community Board Coordinator
- Access to specialists (Democracy, Strategic Relationships, Planning, Delivery & Operations, Parks & Reserves, Transport, Water, Communications, Finance)
- Access to Council engagement tools and data, consistent with the Framework's emphasis on shared resources.

9. Community Engagement & Partnership

9.1 Approach

The Board will lead community engagement tailored to local context using both traditional and innovative methods, supporting the Framework's emphasis on civic participation and local knowledge.

9.2 Place Leadership Forum

The Board may convene a multi-stakeholder forum to coordinate local action.

10. Outcomes, Measures & Reporting

10.1 Desired Outcomes

- Stronger participation
- Increased trust and satisfaction
- Better aligned investments at place
- More resilient, connected communities

10.2 Monitoring

- Engagement metrics
- Project performance metrics
- Outcomes evaluation
- Relationship health measures

An Annual Community Board Report will summarise activity, outcomes, and learning.

11. Risk, Issues & Change Control

Project risks tracked across all Model 2/3 workstreams with clear RAG (Red, Amber, Green) statuses.
Change requests required for significant deviations in cost, timeline, or scope.

12. Communications Protocol

Joint media approach; clear roles for spokespeople; bilingual messaging wherever appropriate.

13. Dispute Resolution

1. Informal resolution
2. Senior elected/CE involvement
3. Independent facilitation

14. Remuneration for Model 3 Leadership Responsibilities

14.1 Purpose

Model 3 activities require elevated leadership, additional governance time, and higher responsibility. This section ensures remuneration is fair and transparent.

14.2 Scope of Remunerated Activities

Remuneration applies when the Board:

- Chairs or co-chairs place-based partnerships
- Leads local strategic planning inputs
- Oversees major programmes at place
- Leads complex engagement processes
- Represents the community in high-level regional or cross-agency settings

14.3 Remuneration Framework

(a) Leadership Supplement

- **Board Chair (Model 3 Lead):** Additional **X%** of Community Board base remuneration
- **Deputy Chair / Model 3 Portfolio Leads:** Additional **Y%**

(*Final % to align with Council policy and Remuneration Authority rules*)

(b) Project-Based Honoraria

Available for time-bound high-intensity leadership roles based on complexity, time commitment, and risk rating. Approved by Council CE or delegated officer.

(c) Leadership Support Package

Council will provide:

- Administrative support

- Access to specialised staff
- Te ao Māori capability support
- Professional development budget
- Engagement/communications resourcing
- Travel reimbursements

This aligns with the Framework's principle that Boards must be properly *enabled and resourced* to be effective.

14.4 Accountability

Recipients must:

- Provide annual leadership reports
- Participate in quarterly relationship health checks
- Demonstrate delivery against agreed place-leadership responsibilities

14.5 Review

This framework is reviewed each triennium or earlier if required by legislation or Council policy.

15. Schedules (to be developed)

- **A – Delegations**
- **B – Annual Work Programme**
- **C – Engagement & Partnership Plan**
- **D – Operating Rhythm**
- **E – Reporting Templates**

Commented [SF1]: To be completed upon both parties 'in principal' agreement to the Accord

16. Signatures

For the Council
Name: _____
Role: _____
Date: _____

For the Te Hiku Community Board
Name: _____

Role: _____
Date: _____

For the Kaikohe-Hokianga Community Board
Name: _____
Role: _____
Date: _____

For the Bay of Islands-Whangaroa Community Board
Name: _____
Role: _____
Date: _____

6.2 APPROVAL OF FINAL SIMSON PARK DOMAIN RESERVE MANAGEMENT PLAN 2026

File Number: **A5943357**

Author: **Robin Rawson, Parks & Reserves Planner**

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

TAKE PŪRONGO / PURPOSE OF THE REPORT

This report seeks approval from Council as the administering body under the Reserves Act 1977 to adopt the Simson Park Domain Reserve Management Plan 2026.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- The Simson Park Domain Reserve Management Plan 2026 has been developed over two years and three rounds of public consultation.
- The Bay of Islands–Whangaroa Community Board as the delegated Hearing Panel considered presentations from submitters at a hearing on 6 August 2026 as well as written submissions received and recommended approval of the reserve management plan with one minor amendment (resolution 2026/58d).
- Further to the minor amendment and graphical enhancement, the Simson Park Domain Reserve Management Plan 2026 is presented for approval and adoption by Council.

TŪTOHUNGA / RECOMMENDATION

That Council approve and adopt the Simson Park Domain Reserve Management Plan 2026, as per Attachment 1 under section 41 of the Reserves Act 1977.

1) TĀHUHU KŌRERO / BACKGROUND

The Reserves Act 1977 requires that Council prepares and periodically reviews management plans for many Council-administered reserves. This process includes community consultation and consideration of submissions and objections to ensure the final plan reflects community views. Reserve management plans guide the management of reserves including development, leases and use.

The review of the 1987 reserve management plan for Simson Park Domain began in September 2023, and the process included the following steps:

- Engagement with park stakeholders 2023 onwards
- Engagement / pre-consultation with Moerewa rangatahi in early 2024
- First public consultation - initial invitation for comments in June 2024
- Consultation with sporting codes and advice from a recreation consultant on the need for a proposed fourth sports field
- Public consultation specifically on the proposed fourth field November 2024
- Draft plan prepared taking account of feedback received
- Final public consultation on the draft plan October to December 2025
- Changes made to the plan in response to public consultation
- Parcels fronting Leaity Street were classified as Recreation Reserve to allow for a larger area of park to be available for future development options
- The Bay of Islands-Whangaroa Community Board as the delegated hearing panel approving the plan after a hearing, with one minor change (an immaterial addition of a note) (Resolution 2026/58d):

Recommends to Council that the amended reserve management plan be approved as the final Simson Park Domain Reserve Management Plan.

- Enhancement of the document by Council's Graphic Designer.

The process to prepare a reserve management plan must meet the requirements of section 41 of the Reserves Act 1977 and as the Simson Park Domain is a recreation reserve, the final reserve management plan is able to be approved by Council so that the plan can be adopted.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

Discussion

The process required for the preparation of reserve management plans under the Reserves Act 1977 encourages public participation in the development of the reserve management plan and supports community aspirations for reserves. An additional consultation allowed the community to consider a change to the field layout, which was proposed by one of the sports clubs in the first consultation process. Classification of parcels fronting Leaity Street as Recreation Reserve allowed a larger area of park to be available for future development options.

The reserve management plan recognises the importance of Simson Park Domain to the Moerewa community in the vision, and the plan supports continued organised sport and other recreation activities. The concept plan updates existing structures and activities on the site and provides for future development that will meet the expectations and needs of the community. At the hearing, stakeholders gave strong support for the redrafted reserve management plan.

Options

Council has the following options available to them:

Option 1: Council chooses to approve and adopt the Simson Park Domain Reserve Management Plan 2026 (Staff recommendation)

Advantages

- The plan will meet Council's obligations under the Reserves Act for the approval and adoption of an updated reserve management plan for this reserve
- The adopted plan will support the updating of leases for existing sports clubs
- The adopted plan will recognise the participation of the community in the plan development
- It will help direct investment decisions and could support future funding opportunities.

Disadvantages

- No disadvantages identified.

Option 2: Council chooses not to approve the Simson Park Domain Reserve Management Plan 2026

Advantages

- No advantages identified.

Disadvantages

- The contribution from the community in plan development will not be recognised
- The 1987 reserve management plan for Simson Park Domain which is no longer aligned with activities on the site will remain the statutory reserve management plan
- Future sports development may not be co-ordinated and may have additional consensus and planning hurdles
- This will be contrary to the recommendation of the Bay of Islands-Whangaroa Community Board.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Approval and adoption of the final plan recognises the contributions of key stakeholders and the wider community and meets the requirements of the Reserves Act 1977 for the preparation and adoption of reserve management plans. The updated plan will give clear, community endorsed direction for the management and co-ordinated future development of Simson Park Domain.

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

The reserve management plan states that development works are currently unfunded and there are no financial implications or the need for budgetary provision by approving this plan.

ĀPITIHANGA / ATTACHMENTS

1. Simson Park Domain RMP Final - A5997353

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:

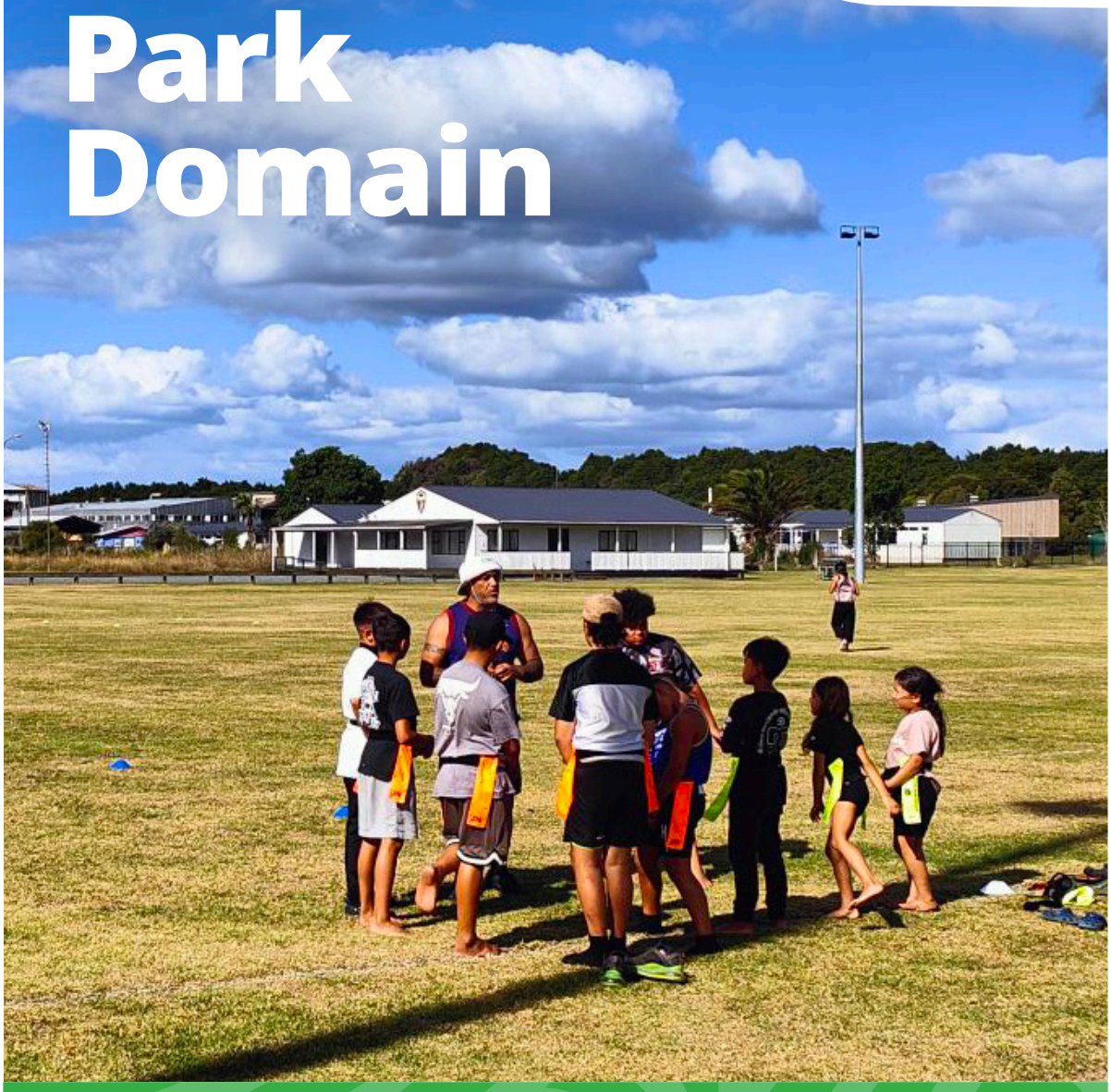
1. A Local authority must, in the course of the decision-making process,
   a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
   b) Assess the options in terms of their advantages and disadvantages; and
   c) If any of the options identified 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	Reserve Management Plans have an operational and development focus and are generally of relatively low significance. Full public consultation and targeted engagement were done.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	The process follows the requirements of the Reserves Act 1977 and is consistent with Council policies.
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 Community Board have recommended approval of the reserve management plan.
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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	A representative from Ngāti Kōpaki and Ngāti Te Ara has been involved throughout the planning process and has supported the community aspirations for this valued park.
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).	The Reserves Act provides for formal, publicly notified consultation, and a two-month consultation concluded in December 2025 and a hearing held in August 2026. Management and development issues were raised with representatives from the Sporting Codes and other groups, including the Simson Park Hall Committee throughout the development of the plan so that their needs were understood.
State the financial implications and where budgetary provisions have been made to support this decision.	The reserve management plan states that development works are currently unfunded and there are no financial implications or the need for budgetary provision by adopting this plan.

Chief Financial Officer review.	A Chief Financial Officer review is not required for the report as the recommendation has no financial or budgetary implications.

Simson Park Domain

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



Reserve Management Plan 2026

Contents

1.0 Introduction 1
2.0 Site description and context 2
3.0 Primary users and activities 3
4.0 Vision, Objectives and Policies 3
4.1 Vision 3
4.2 Objectives 4
4.3 Policies 4
5.0 Technical information 7

1.0 Introduction

This reserve management plan provides direction for management and use of Simson Park Domain (the Domain) and replaces the reserve management plan approved in 1987. The reserve management plan describes the general intentions for the use, management and development of the Domain by a series of objectives and policies and includes a concept plan to guide the use of space. These objectives and policies will assist with decision making to ensure decisions are consistent with the vision agreed by the community.

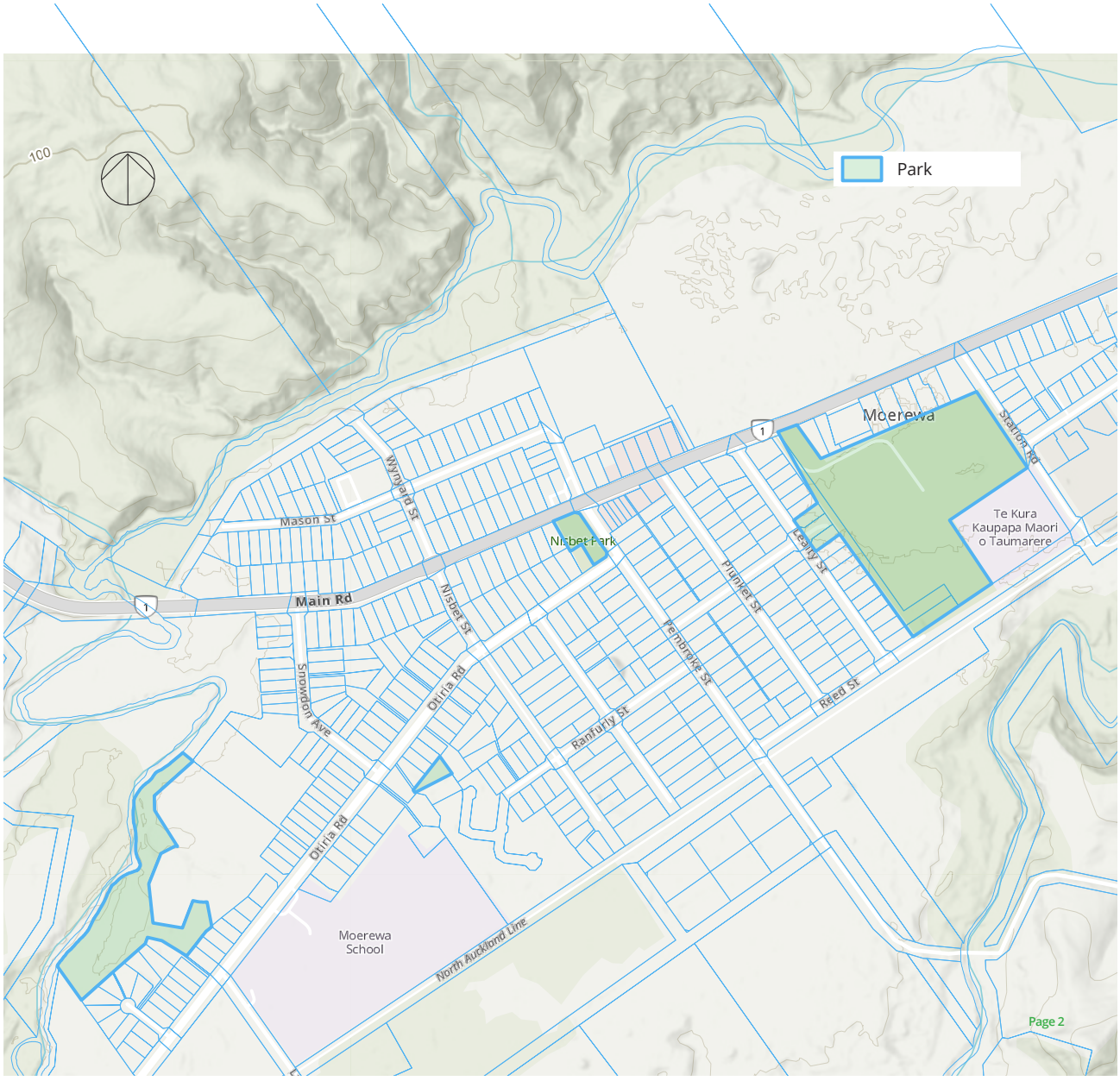
Council strategies, policies and bylaws also guide management of Simson Park Domain, and development and use will be regulated by planning and building rules.

The primary function of Simson Park Domain is for sporting and recreational use. The Domain and Simson Park Hall host community events and gatherings, and the local community see Simson Park Domain as being central to life in Moerewa.



2.0 Site description and context

Simson Park Domain Reserve is located centrally in Moerewa and has an area of 6.7 hectares. The Domain is classified as a recreation reserve under the Reserves Act 1977 and is gazetted (officially named) as 'Simson Park Domain'. An additional 3 parcels of Council recreation reserve fronting Leaity Street with a combined area of 0.2544 hectares adjoin and are managed in association with the Domain. Details of land parcels that form Simson Park Domain and other parcels managed in association with the Domain are included in Section 5.0: Technical information.



The area of the Domain is indented to the south-east by Te Kura Kaupapa Māori o Taumarere and Mokopuna o Moerewa Early Childhood Education and Care, and houses adjoin north and west boundaries of the Domain. The Domain has wide frontage to Station Road to the east and unformed legal road to the south, and narrow frontage to Main Road (State Highway 1) to the north and Leaity Street to the west.

Nisbet Park to the west is within an easy walking distance of houses to the west of Simson Park Domain. Sir William Hale Reserve to the west of the Domain has little recreational use and is not a well-used park primarily due to low natural surveillance as it has narrow road frontages.

The Domain contains the following buildings: Simson Park Hall, Moerewa Rugby Football Sports Club Clubrooms and Moerewa Tigers Rugby League Club Clubrooms.

The Domain has the following structures and features: a memorial arch erected to honour Thomas Simson after whom the Domain is named, an avenue of phoenix palms, netball courts, exercise equipment, and formed but unmarked parking areas.

An overland flow path crosses the Domain, and Moerewa has reticulated water but does not have a reticulated sewerage system.

3.0 Primary users and activities

Club / Leaseholder	Prescence on Domain	Notes
Moerewa Tigers Rugby League Club	Clubrooms and two fields	Lease 2009-2029
Moerewa Rugby Football Sports Club	Clubrooms and field	Updated lease needed
Moerewa Tigers Netball Club	Netball courts	Updated lease needed
Moerewa Tigers Softball Club	Summer use of fields	
Simson Park Hall Committee	Simson Park Hall	Updated lease needed

4.0 Vision, Objectives and Policies

4.1 Vision

Simson Park Domain is developed and managed to accommodate sports, community and recreation activities and is a central hub for the community of Moerewa.



4.2 Objectives

O1. Simson Park Domain is managed as a sports hub to accommodate organised sport and also to meet the needs of the community including for community events and other recreational activities where this use is compatible with sports use.

O2. Simson Park Domain accommodates sports and other activities in general areas defined by the concept plan, as well as community gathering spaces and areas for play that activate the Domain throughout the week.

O3. Any development including buildings is in general accordance with the concept plan and supports existing sports, recreation and cultural uses, enhances opportunities for community and recreational use and enjoyment, and positively contributes to the amenity of the Domain and surrounding area.

O4. O4 Leases are established to identify the occupation of buildings and structures that are not owned by Council including clubrooms.

4.3 Policies

Use management

P1. Winter use of sports fields is allocated to rugby and rugby league as shown on the plan.

P2. Sporting and events on the Domain are co-ordinated, ideally through regular meetings between the sports codes and other interested stakeholders, in a collaborative way to ensure availability for sporting groups and for community use.

P3. The Domain is available for compatible sporting, recreational and cultural events including associated parking. Uses are not considered to be compatible where they compromise sports fields or other facilities on the Domain. Events other than regular sporting activities will be booked through Council's website.

P4. Leases are updated to reflect current occupations and all existing buildings and structures.

P5. The use of glass vessels on areas of the Domain laid out for sporting activities is not allowed.

P6. Camping on the Domain is not allowed.

Development & Buildings

P7. Development of the Domain proceeds in a planned manner consistent with the vision and concept plan and includes the future creation of a fourth sports field and a grass softball diamond. Any proposed development activities on the Domain other than minor changes are to be presented at stakeholder meetings for feedback before applying to Council for landowner approval.

P8. Buildings and structures that are necessary to support sports field activities on a field can be developed, provided that fixed assets not owned by Council are covered by a lease.

P9. Collaborative, non-exclusive and multi-use of buildings is encouraged.

P10. Simson Park Hall and clubrooms can be redeveloped in the locations shown on the plan to continue services to the community, including additional community functions consistent with the recreation reserve classification.

P11. Buildings are to support the amenity of the Domain and require agreement from Council as landowner – preapplication queries are welcomed.

P12. A public toilets facility that is available for events may be provided in the redevelopment of either the Simson Park Hall or a Clubroom.

P13. Construction of buildings will need to take account of infrastructure requirements including stormwater and sewerage.

P14. Buildings and structures on the Domain will incorporate Universal Design and CPTED (Crime prevention through environmental design) principles; park development will support visitors of all ages including those in wheelchairs, walkers and pushchairs where this is possible.

P15. Where buildings are no longer well used, an alternative use consistent with the vision and objectives will be found or the building removed at the end of lease.

Ancillary Facilities & Infrastructure

P16. Allow for signage at the entrances to the Domain to identify the Domain, available facilities, and other visitor information.

P17. Sports fields may have field lights designed to minimise light spill or glare on adjoining residential areas, also irrigation, drainage and barriers such as bollards to keep cars off fields.

P18. Other ancillary structures may include park shelters, barbecues, seating, drinking water fountains, public Wi-Fi and security cameras. Bins may be located on road frontages and portable rubbish bins for events are encouraged.

P19. Parking areas are to be sealed and marked to maximise capacity and will not extend beyond areas shown on the concept plan so sports areas are not reduced or damaged. Car parking on Station Road may extend into the edge of the Domain to allow the construction of angle parking. Parking areas within the park or on adjoining roads may include marked bus parks.

P20. Development on the Domain may include a play area or similar in the Future Rangatahi Space.

Vegetation

P21. Tree plantings will include native species and citrus or other low maintenance fruit trees. Larger trees will be planted where they do not affect the function of sports areas to provide amenity to the Domain and do not affect neighbours, generally 20m from field areas and 10m from residential boundaries.

P22. Phoenix palms to the south of the memorial arch will be removed near the end of their life or when maintenance costs outweigh the benefits of retaining them. After removal, the area near the memorial arch may either be replanted with an alternative tree species or repurposed for car parking or other park recreation activities. Development area to include an entrance with seating and walkway linking the memorial arch to internal paths and car parking.

Notes

Future development works are not currently funded and may require approvals including resource consent and building consent.

Where an area of the Domain has an existing activity such as carparking, the function cannot be changed until the activity is provided for elsewhere.

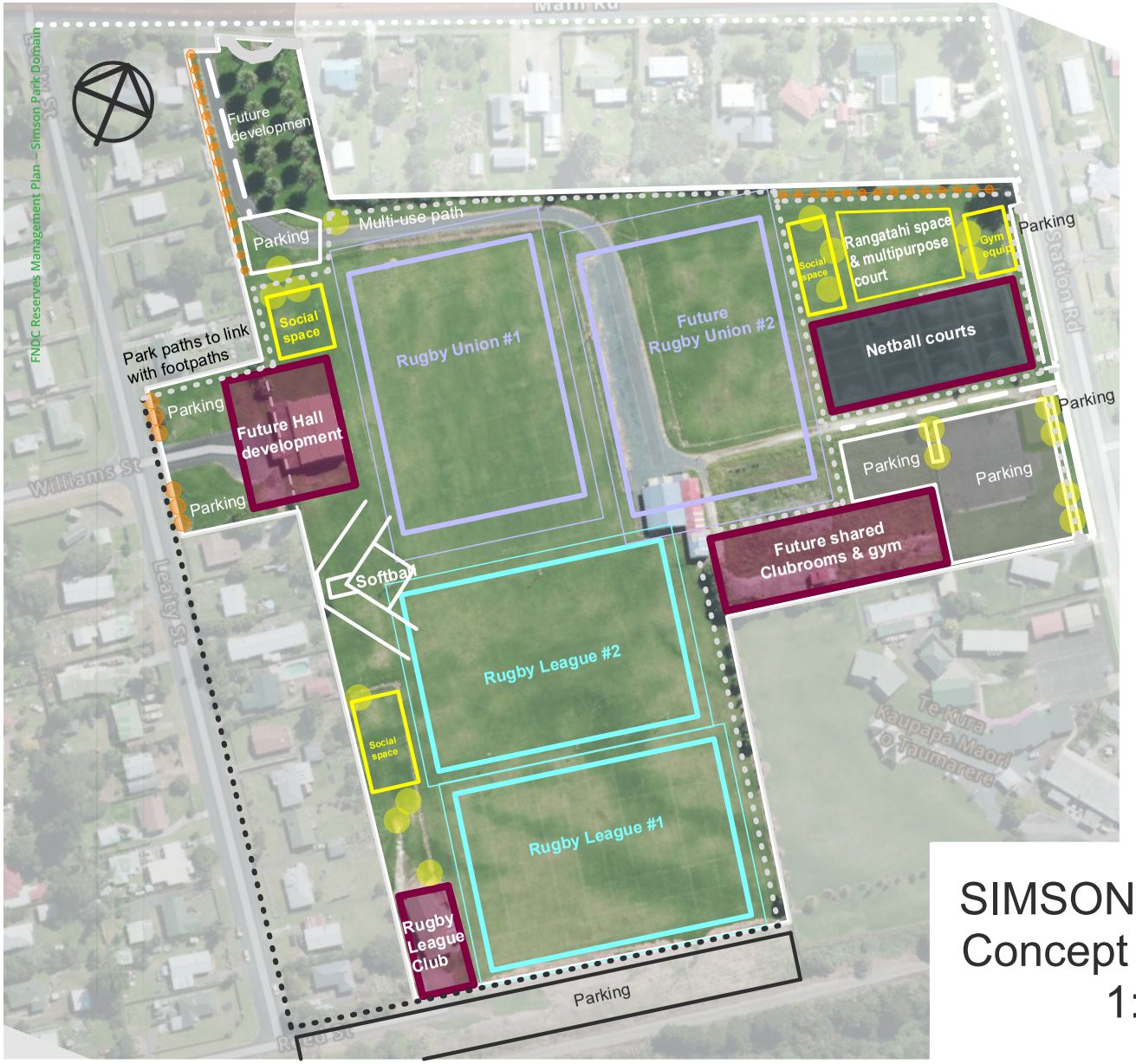
Landowner approvals and leases may include conditions over cladding and materials and landscaping.

Other issues including dog management and smoking will be managed in accordance with Council's policies and bylaws that are current at the time.

An alternative site for the Rugby League Clubrooms on the unformed legal road to the south of the Domain that is currently shown as car parking may be considered by Council. This option would require the successful closure of a section of unformed legal road through a formal road stopping process, and the park land currently occupied by the clubrooms providing for car parking.



See overleaf for Simson Park Domain Concept Plan



Plan Key

- Multi-use path
- Driveway
- Large tree
- Citrus - oranges and mandarins

Plan notes

+ Trees shown indicative locations only

+ Carparking to be formed and marked to maximise capacity, over 200 carparks shown and additional parks available in adjoining streets

+ Public toilets for events may be incorporated into redevelopment of shared clubrooms or Simson Park Hall

0 20 40 60 80 100 m

SIMSON PARK DOMAIN
Concept plan June 2026
1:2000@A4

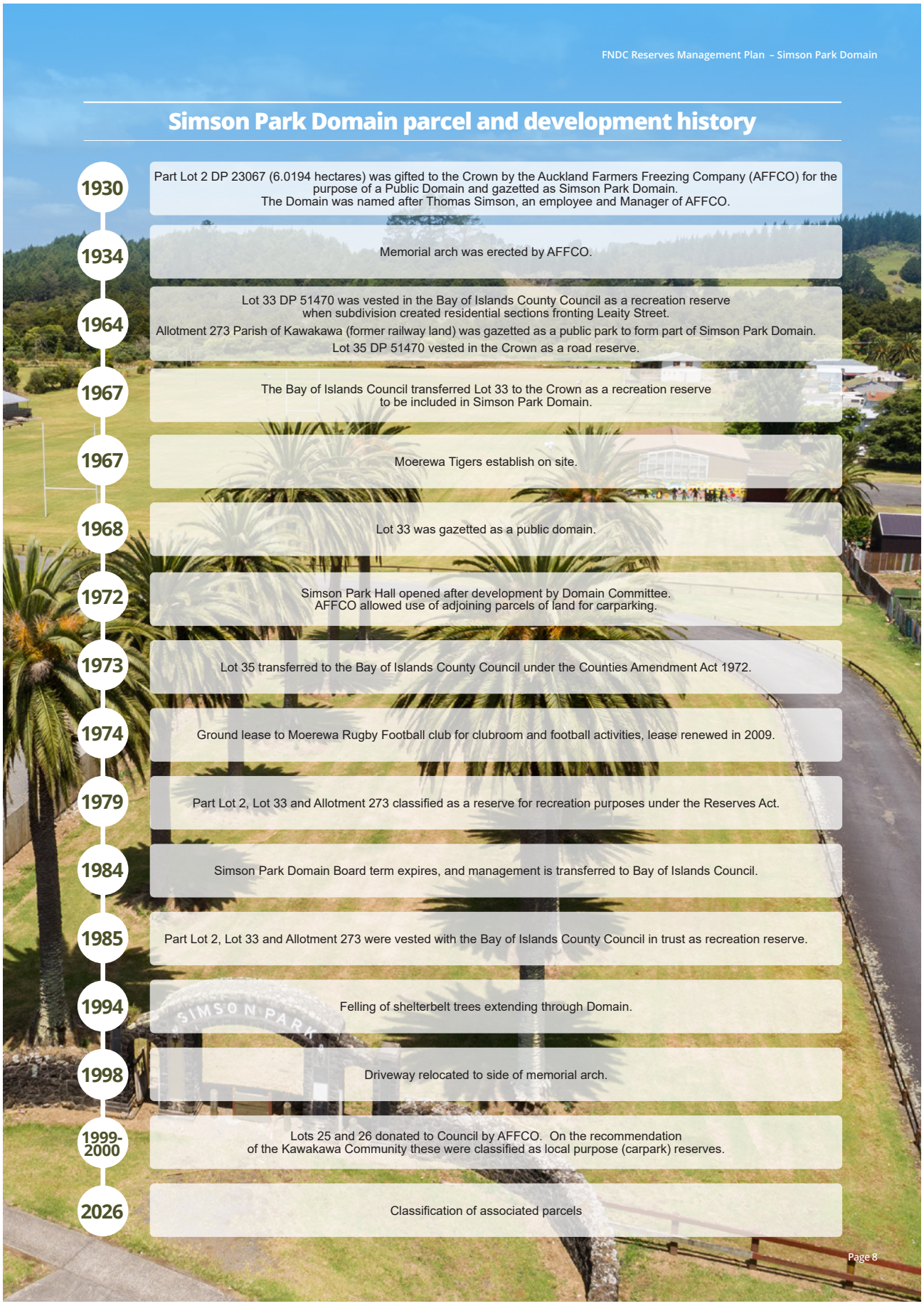
5.0 Technical information

Land parcels

Simson Park Domain and associated parcels (refer image below)

Parcel description (& title)	Area	Classification
Part Lot 2 DP 23067 (NA617/207)	6.0194 hectares (60194 m²)	*Recreation reserve*
Allotment 273 Parish of Kawakawa	1677 m²	*Recreation reserve*
Lot 33 DP 51470 (NA12D/812)	5623 m²	*Recreation reserve*
Parcel		
Lot 25 DP51470 (NA15D/328)	809 m²	*Recreation reserve*
Lot 26 DP51470 (NA15D/329)	809 m²	*Recreation reserve*
Lot 35 DP 51470	926 m²	*Recreation reserve*
Total area	**7,0038 hectares (70038 m²)**	




FNDC Reserves Management Plan – Simson Park Domain
Simson Park Domain parcel and development history
1930
Part Lot 2 DP 23067 (6.0194 hectares) was gifted to the Crown by the Auckland Farmers Freezing Company (AFFCO) for the purpose of a Public Domain and gazetted as Simson Park Domain.
The Domain was named after Thomas Simson, an employee and Manager of AFFCO.
1934
Memorial arch was erected by AFFCO.
1964
Lot 33 DP 51470 was vested in the Bay of Islands County Council as a recreation reserve when subdivision created residential sections fronting Leaity Street.
Allotment 273 Parish of Kawakawa (former railway land) was gazetted as a public park to form part of Simson Park Domain.
Lot 35 DP 51470 vested in the Crown as a road reserve.
1967
The Bay of Islands Council transferred Lot 33 to the Crown as a recreation reserve to be included in Simson Park Domain.
1967
Moerewa Tigers establish on site.
1968
Lot 33 was gazetted as a public domain.
1972
Simson Park Hall opened after development by Domain Committee.
AFFCO allowed use of adjoining parcels of land for carparking.
1973
Lot 35 transferred to the Bay of Islands County Council under the Counties Amendment Act 1972.
1974
Ground lease to Moerewa Rugby Football club for clubroom and football activities, lease renewed in 2009.
1979
Part Lot 2, Lot 33 and Allotment 273 classified as a reserve for recreation purposes under the Reserves Act.
1984
Simson Park Domain Board term expires, and management is transferred to Bay of Islands Council.
1985
Part Lot 2, Lot 33 and Allotment 273 were vested with the Bay of Islands County Council in trust as recreation reserve.
1994
Felling of shelterbelt trees extending through Domain.
1998
Driveway relocated to side of memorial arch.
1999-2000
Lots 25 and 26 donated to Council by AFFCO. On the recommendation of the Kawakawa Community these were classified as local purpose (carpark) reserves.
2026
Classification of associated parcels
Page 8

Reserve management plans

The Reserves Act specifies that Council parks that are classified as a recreation, scenic or historic reserve under the Reserves Act are required to have a reserve management plan that ensures that management and use of the reserve is consistent with the purpose for which the land is classified. When approved, a reserve management plan provides Council with a clear framework for management and decision making and provides the community with an understanding of the values of the reserve and how they can use the reserve. The reserve management plan is prepared after (usually) 2 rounds of public consultation. Reserve management plans are ideally reviewed every 5 years so that changes in development and use that may have had other approvals can be incorporated.

This reserve management plan provides for management consistent with the classification of Simson Park Domain as a recreation reserve in accordance with section 41(3) of the Reserves Act 1977. The reserve management plan was prepared in accordance with sections 41 and 119 of the Reserves Act 1977 including advertising the draft reserve management plan. The intent to prepare a reserve management plan was advertised in June 2024 and formal consultation on the draft plan took place October to December 2025. A hearing to consider comments on the draft plan was held on 6 August 2026.

6.3 MEMBERSHIP UPDATE FOR TE MIROMIRO COMMITTEE FOR ASSURANCE, RISK AND FINANCE COMMITTEE

File Number: **A5993160**

Author: **Marysa Maheno, Democracy Advisor**

Authoriser: **Jacine Warmington, Group Manager - Strategic Relationships**

TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek Council approval in membership changes for Te Miromiro Committee for Assurance, Risk and Finance.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Since confirming the membership of Te Miromiro Committee for Assurance, Risk and Finance, Cr Kelly Stratford has requested to be added as a member to the committee.
- This report seeks approval from Council to add Cr Stratford to the membership of Te Miromiro Committee for Assurance, Risk and Finance.

TŪTOHUNGA / RECOMMENDATION

That Council approve to add Cr Kelly Stratford to the membership of Te Miromiro Committee for Assurance, Risk and Finance.

1) TĀHUHU KŌRERO / BACKGROUND

The membership of Te Miromiro Committee for Assurance, Risk and Finance was adopted at the 11 December 2025 Council meeting.

Councillor Kelly Stratford is currently not a member of Te Miromiro Committee for Assurance, Risk and Finance Committee. Councillor Kelly Stratford has requested to be added to the Committee after attending the Finance and Risk webinar through the LGNZ micro-credentials program.

Te Miromiro Committee for Assurance, Risk and Finance Chair Graeme McGlinn has expressed his support for Councillor Kelly Stratford being added as a member to the committee.

An updated Terms of Reference for the committee has been attached to reflect the membership update if approved.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The proposed membership changes are administrative governance matters that give effect to requests received from an elected member. Council is asked to approve these changes.

Options

Option 1: Approve the proposed membership changes. This option would give effect to the requests received.

Option 2: Decline the proposed membership changes. Council could choose not to approve the proposed change.

Option 3: Defer the decision. Council could defer consideration of the membership changes to a future meeting.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Option 1 is recommended because it gives effect to the request. The decision is administrative in nature, has a low level of significance, and can be implemented within existing resources.

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

There are no financial implications or budgetary provisions required as a result of the recommendations in this report. The matter relates to governance membership and appointment arrangements and can be managed within existing governance and democracy services budgets.

ĀPITIHANGA / ATTACHMENTS

1. **Updated ToR - Te Miromiro Committee for Assurance, Risk and Finance - A6012277** ⇩



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 proposed decision is assessed as having a low level of significance. It relates to internal governance membership arrangements and does not change levels of service, funding, strategic direction, or the delivery of Council activities. Wider community engagement is not considered necessary for this decision.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Under the Local Government Act 2002, Council is required to identify reasonably practicable options and assess the advantages and disadvantages of those options as part of its decision-making process. Committee membership is a matter for Council to determine by resolution. The proposed changes are consistent with Council's governance arrangements and the relevant Committee Terms of Reference, subject to those Terms of Reference being updated following Council's decision.
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 primary risk is that Committee and Portfolio membership information may not accurately reflect current appointments if Council does not confirm the changes. This risk is mitigated by seeking a formal Council resolution and updating the relevant Terms of Reference and governance records following the decision.
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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	There are no specific implications for Māori within this 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	There are no specific persons to be affected by this report.

– youth, the aged and those with disabilities).	
State the financial implications and where budgetary provisions have been made to support this decision.	There are no additional costs associated with the recommended option. Any administrative work required to update membership records, Terms of Reference, and meeting information can be managed within existing governance and democracy services budgets.
Chief Financial Officer review.	Chief Financial Officer review is not required for this report as there are no financial implications within this report.

Te Kaunihera o Te Hiku o te Ika Far North District Council	**Authorising Body**	Mayor/Council
	Status	Standing Committee
COUNCIL COMMITTEE	**Title**	Te Miromiro Committee for Assurance, Risk and Finance Terms of Reference
	Approval Date	11 December 2025
	Responsible Officer	Group Manager Corporate Services

(1) Kaupapa / Purpose

The purpose of Te Miromiro Committee for Assurance, Risk and Finance is to assist and advise the Governing Body in discharging its responsibility and ownership of finance, risk and internal control.

Committee will review the effectiveness of the following aspects:

1.1 The robustness of financial management practices;
1.2 The integrity and appropriateness of internal and external reports and accountability arrangements;
1.3 The robustness of the risk management framework;
1.4 The robustness of internal controls and the internal audit framework;
1.5 Compliance with applicable laws, regulations, standards and best practice guidelines;
1.6 The establishment and maintenance of controls to safeguard the Council's financial and non-financial assets;
1.7 Data governance framework

To perform his or her role effectively, each member must develop and maintain his or her skills and knowledge, including an understanding of the Committees responsibilities, and of the Council's business, operations and risks.

(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 Chair with full voting rights.

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

Graeme McGlinn – Chairperson and Independent Member

Cr John Vujcich (Deputy Chairperson)

Cr Rachel Baucke

Cr Felicity Foy

Cr Hilda Halkyard-Harawira

Cr Davina Smolders

Cr Kelly Stratford

Graham Naylor – Independent Member

(3) Kōrama / Quorum

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

(4) Ngā Hui / Frequency of Meetings

The Committee shall meet every 12 weeks.

(5) Ngā Apatono / Power to Delegate

The responsibilities, duties and powers of the Committee are subject to the prohibition on delegation of powers under Clause 32(1), Schedule 7, Local Government Act 2002, and any other restrictions on delegation under any other relevant legislation.

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

(6) Ngā Herenga Paetae / Responsibilities

The Committees responsibilities are described below:

6.1 Financial systems and performance of the Council

6.1.1 Review the Council's financial and non-financial performance against the Long-Term Plan and Annual Plan
6.1.2 Review Council quarterly financial statements and draft Annual Report

6.2 Risk Management

6.2.1 Review appropriateness of Council's risk management framework and associated procedures for effective risk identification, evaluation and treatment

6.2.2 Receive and review risk management dashboard reports

6.2.3 Provide input, annually, into the setting of the risk management programme of work

6.2.4 Receive updates on current litigation and legal liabilities

6.3 Internal Audit and Controls

6.3.1 Review whether management has in place a current and comprehensive internal audit framework
6.3.2 Receive and review the internal audit dashboard reports
6.3.3 Provide input, annually, into the setting of the internal audit programme of work
6.3.4 Review whether there are appropriate processes and systems in place to identify and investigate fraudulent behaviour

The Committee will manage Council's relationship with external auditor.

(7) Ngā Ture / Rules and Procedures

Council's Standing Orders and Elected Member Code of Conduct apply to all meetings.

(8) Reporting and Review of Committee Terms of Reference

In December of each year, the Responsible Officer alongside Democracy Services will submit a report to Council. The report will summarise the activities of the Committee and how it has contributed to the Council's governance and strategic objectives. This will look at whether the Council are meeting the full requirements of the Committee Terms of Reference and whether any amendments are required to the Committees terms of reference to increase efficient and effective decision making.

The Terms of Reference of the Committee will be reviewed as part of this report but can be amended by Council at any point throughout the term.

6.4 GREENHOUSE GAS EMISSIONS REDUCTION CONSIDERATIONS FOR COUNCIL CONTROLLED ORGANISATIONS

File Number: **A5945977**

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

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

TAKE PŪRONGO / PURPOSE OF THE REPORT

To recommend that greenhouse gas (GHG) emissions measurement should be required for council-controlled organisations (CCO) for the portion of their emissions that contribute to the GHG emissions footprint for Far North District Council (FNDC). Measurement will inform future GHG emissions reduction planning and cost estimates.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- FNDC has adopted science-aligned GHG emissions reduction targets and a net zero 2050 target but has not yet required GHG emissions measurement or GHG emissions reduction targets for its CCOs.
- To be eligible for Local Government Funding Agency (LGFA) Climate Action Loans, FNDC must measure GHG emissions from relevant CCOs and have plans in place to reduce those emissions in line with Council's adopted science-aligned emissions reduction targets.
- There is an opportunity to introduce requirements for GHG emissions measurement in the Statement of Expectations for the new CCO, Northland Waters Limited. This would support the CCO to become eligible for Sustainable Water Action Loans from the LGFA.
- The Joint Climate Change Adaptation Committee has provided climate action recommendations for the new CCO, Northland Waters Limited, which include both climate adaptation and climate mitigation recommendations.
- Te Koekoeā Committee for Council Controlled Organisations considered a report recommending that GHG emissions measurement and emissions reduction should be mandated for CCOs and has recommended an alternative phased approach, with GHG emissions measurement requirements introduced first to inform future consideration of whether GHG emissions reduction requirements should be required for CCOs.
- Te Koekoeā Committee for Council Controlled Organisations resolved as follows:
  That Te Koekoeā Committee for Council Controlled Organisations recommend to Council;
  a) that greenhouse gas emissions measurement requirements be developed for the relevant CCOs, and that any recommendation to mandate emissions-reduction targets be deferred until Council receives;
    i) a Chief Financial Officer-reviewed assessment setting out the expected costs, benefits, infrastructure and dividend impacts, reasonably practicable alternatives, and the comparative cost of offsetting emissions; and
    ii) a legal opinion, including clarification of the statement that FNDC "will be exposed to the costs of offsetting sequestration".
- Initiating GHG emissions measurement for CCOs will enable CCOs to estimate the costs of GHG emissions reduction.
- Each CCO and CCO CFO, will assess the costs, benefits, infrastructure and dividend impacts, alternatives, and offsetting costs of emissions reduction options, with findings to be reviewed by the Chief Financial Officer before Council considers any future emissions reduction requirements.
- Achieving net zero emissions by 2050 is not a legal requirement but is a commitment under adopted Council policy and strategy; any residual CCO emissions would need to be offset or sequestered to meet the target.

TŪTOHUNGA / RECOMMENDATION

That Council:

a) require that Greenhouse Gas Emissions measurement requirements be developed for the relevant Council Controlled Organisations; and

b) that any recommendation to mandate emissions-reduction targets be deferred until Council receives;

i) Chief Financial Officer-reviewed assessment setting out the expected costs, benefits, infrastructure and dividend impacts, reasonably practicable alternatives, and the comparative cost of offsetting emissions; and

ii) legal opinion, including clarification of the statement that FNDC "will be exposed to the costs of offsetting sequestration".

1) TĀHUHU KŌRERO / BACKGROUND

Existing Strategy and Policy Framework

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] A summary of LGFA sustainable lending criteria is attached to this report as Appendix A.

Climate Action Loans & Emissions Accounting

To qualify for Climate Action Loans from the LGFA, FNDC must measure and report on GHG emissions. 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 NZ is not currently measuring GHG emissions. The GHG emissions for FNDC waters services infrastructure which will be transferred to Northland Waters Ltd are currently being measured.

The largest share of FNDC's corporate GHG emissions is currently produced through the delivery of waters services, including biogenic methane emissions from wastewater, as well as other GHG emissions produced by water infrastructure. Emissions categories linked to the delivery of water services include sewerage services (capital works), wastewater emissions, electricity, waste management, and diesel stationary combustion (generators). See Figure 1.

[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

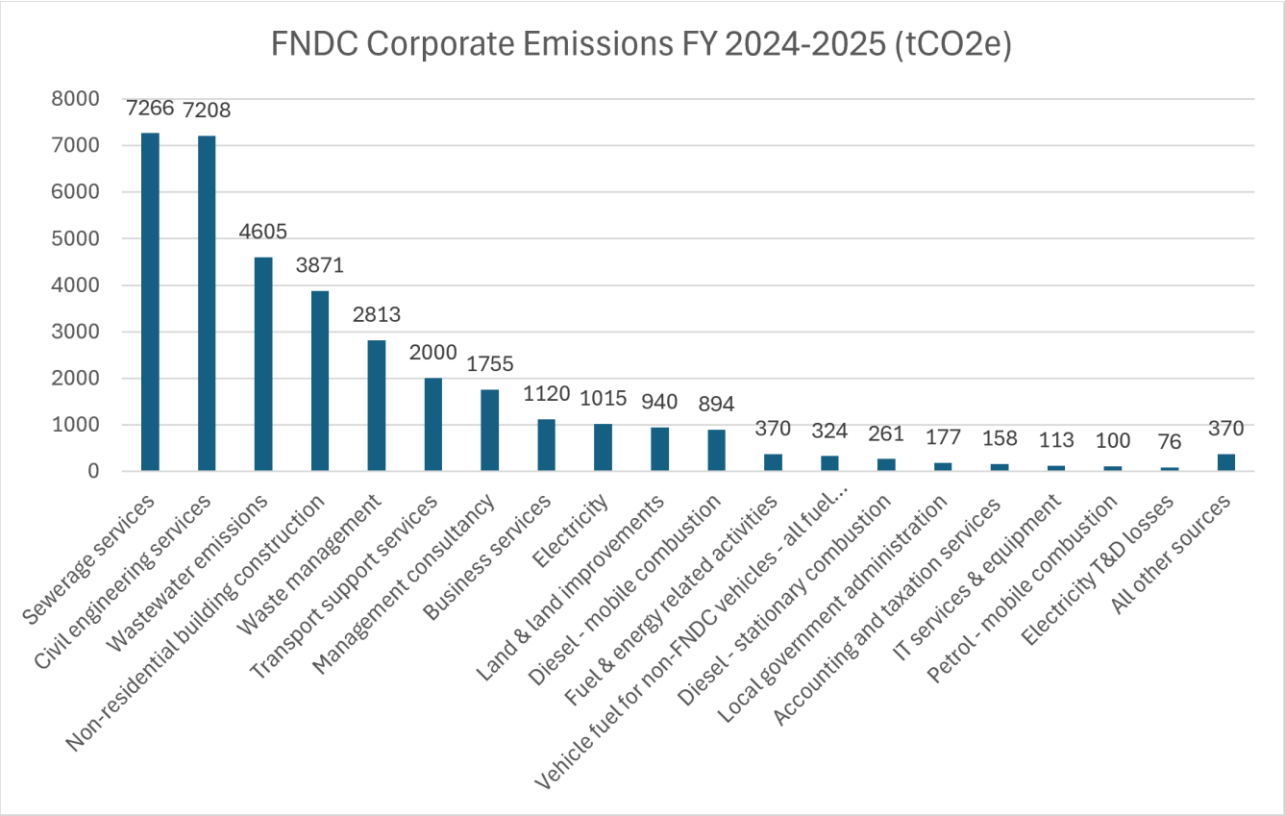


Figure 1. Far North District Council Corporate Greenhouse Gas Emissions for 2024-2025.

Joint Climate Change Adaptation Committee Recommendation

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 B.

Statement of Expectations for Northland Waters Limited

The work programme to develop a Statement of Expectations for Northland Waters Limited is currently underway. Te Koekoeā Committee for Council Controlled Organisations received a report on this topic in June 2026 and convened a workshop on this topic in August 2026.[8] There is an opportunity for Northland Waters Ltd to become directly eligible for Sustainable Water Action Loans, one of the sustainable lending options available through the LGFA.

The components within the Northland Waters Limited Statement of Expectations which offer opportunities to ensure 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.

Te Koekoeā Committee for Council Controlled Organisations Recommendation to Council

[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.

In August 2026, Te Koekoeā Committee for Council Controlled Organisations considered an earlier version of this report,[9] which recommended the introduction of both GHG emissions measurement requirements and GHG emissions reduction requirements for CCOs that form part of FNDC's GHG emissions footprint.

The committee passed the following resolution:

That Te Koekoeā Committee for Council Controlled Organisations recommend to Council;

a) that greenhouse gas emissions measurement requirements be developed for the relevant CCOs, and that any recommendation to mandate emissions-reduction targets be deferred until Council receives;

i) a Chief Financial Officer-reviewed assessment setting out the expected costs, benefits, infrastructure and dividend impacts, reasonably practicable alternatives, and the comparative cost of offsetting emissions; and

ii) a legal opinion, including clarification of the statement that FNDC "will be exposed to the costs of offsetting sequestration".

The Corporate Services group (including Council's financial services function) notes that each CCO has its own finance team and will conduct its own analysis of the expected costs, benefits, infrastructure and dividend impacts, reasonably practicable alternatives, and the comparative cost of offsetting emissions. If GHG emissions reduction for CCOs is to be required, the extent of emissions reduction that is realistically achievable will be determined by each CCO. Following completion of these assessments, the findings can be reported to Council and reviewed by the Chief Financial Officer to support future Council consideration of whether to impose emissions reduction requirements.

Staff have confirmed that there is no statutory requirement for Far North District Council (FNDC) to achieve net zero greenhouse gas emissions by 2050. As noted in the March 2026 Council report recommending the adoption of science-aligned emissions reduction targets, the commitment to achieve net zero emissions by 2050 arises from Council's adopted policies and strategies rather than a legislative obligation.

To achieve this target, any greenhouse gas emissions generated by the CCOs in 2050 would need to be reduced, offset, or sequestered, either by the CCOs themselves or through Council's broader emissions management approach.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

Te Koekoeā Committee for Council Controlled Organisations has identified that the financial viability of GHG emissions reduction action for CCOs requires further investigation and proposed a phased approach.

It is recommended that GHG emissions measurement and reporting requirements should be introduced for CCOs, and that CCO measurement data should be used to develop cost estimates to inform future decisions on whether GHG emissions reduction should be required for CCOs.

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 for each CCO will be necessary to inform FNDC's emissions reduction planning. GHG emissions measurement for all CCOs is a requirement to ensure eligibility for the LGFA Climate Action Loans.

If CCOs managed by FNDC either in whole or in part do not reduce their GHG emissions before 2050, the achievement of FNDC's adopted Net Zero 2050 target will require FNDC to take responsibility for sequestering and/or offsetting these GHG emissions. The cost of sequestering or offsetting these GHG emissions cannot be determined without measurement data.

[9] Te Koekoeā Committee for Council Controlled Organisations meeting, 18 August 2026, Agenda item 5.1, document number A5840213.

Relevant legislation

The Climate Change Response (Zero Carbon) Amendment Act (2019) sets out legislative guidelines for the reduction of national GHG emissions to reach net zero by 2050.[10] These GHG emissions reduction guidelines and associated targets are detailed further in New Zealand's second emissions reduction plan.[11]

FNDC is not legally required to pursue a net zero emissions reduction target. Rather, this commitment stems from adopted policy and strategy, as set out in the section below.

Policy and strategy considerations

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

Significance and engagement

The FNDC's current direction in GHG emissions measurement and 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 CCOs to measure GHG emissions, and proceed to develop and implement GHG emissions reduction plans, there may be some future risk to the affordability of infrastructure programmes to be carried out by these CCOs.

Failure to implement GHG emissions measurement requirements for CCOs will prevent FNDC from measuring its full GHG emissions footprint. This could expose FNDC to increased reputational, financial, legal and compliance impacts.

Implications for Māori

GHG emissions measurement has the potential to support GHG emissions reduction planning. 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 GHG emissions measurement are estimated to total under $50,000 per CCO, based on the approximate cost of FNDC's annual emissions measurement work.

If CCOs measure GHG emissions and report these to FNDC, this will support FNDC in working toward eligibility for Climate Action Loans from the LGFA. If FNDC's existing debt were to be refinanced through Climate Action Loans, the cost of servicing debt would be reduced.

Option A:

Council recommends that GHG emissions measurement and reporting requirements are included within the Statement of Expectations for Northland Waters Ltd and requires that GHG emissions measurement and reporting is undertaken by Far North Holdings Ltd and by Northland NZ for the portion of GHG emissions which relate to FNDC.

Advantages	Disadvantages	Financial implications

[10] Climate Change Response (Zero Carbon) Amendment Act 2019 No 61, Public Act Contents – New Zealand Legislation

[11] New Zealand's second emissions reduction plan 2026–30: Amended January 2026 | Ministry for the Environment

• Provides robust emissions data to inform future Council and CCO decision-making. • Supports eligibility for LGFA Climate Action Loans and associated financing benefits. • Enables informed assessment of future emissions reduction options and costs. • Supports implementation of FNDC's adopted climate policies, targets, and strategies. • Provides a phased approach by gathering measurement data before considering emissions reduction requirements. • FNDC and CCOs will have access to GHG emissions measurement data to inform future decisions on GHG emissions reduction planning.	• Staff time will need to be allocated to support the collation of GHG emissions inventories. • Potential impact on CCO profitability and dividend returns to Council. • Additional costs for emissions measurement and reporting.	• Costs for each CCO are likely to be under $50,000 per annum, excluding staff time. • Improved eligibility for LGFA Climate Action Loans may provide future financing benefits to Council. • Debt servicing expenses for FNDC could be reduced if FNDC accesses LGFA Climate Action Loans. • There may be minor impacts on CCO profitability and dividends if resources are redirected to emissions measurement activities.

Option B:

Council does not introduce emissions measurement and reporting requirements for CCOs.

Advantages	Disadvantages	Financial implications
• CCOs will not face expenditure related to GHG emissions measurement. • The costs for GHG emissions measurement will not lead to a reduction in the dividends paid by Far North Holdings Ltd to FNDC.	• FNDC may incur future costs to measure CCO emissions if they are not measured by the CCOs to achieve FNDC's climate action strategy and policy commitments. • Limits FNDC's ability to access LGFA Climate Action Loans and associated financing benefits. • Reduces certainty about the future costs of achieving FNDC's Net Zero 2050 target. • Limits the availability of GHG emissions data needed to inform future GHG emissions reduction and financial planning.	• Avoids the immediate costs of GHG emissions measurement for CCOs. However, it may limit FNDC's ability to access LGFA Climate Action Loans, potentially foregoing associated debt servicing savings. • Reduces Council's understanding of its GHG emissions profile and future costs associated with achieving its adopted Net Zero 2050 target, including any future costs of GHG emissions reduction, sequestration, or offsetting.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Staff recommend that Council adopt Option A.

Option A is recommended because it provides the GHG emissions data needed to make informed future decisions about GHG emissions reduction requirements for CCOs. The proposed phased approach aligns with the recommendation of Te Koekoeā Committee for Council Controlled Organisations by introducing GHG emissions measurement and reporting first, while deferring any future decision on GHG emissions reduction requirements until robust data on costs, benefits, infrastructure impacts, dividend impacts, alternatives, and offsetting costs is available.

The option also supports implementation of FNDC's adopted climate policies, targets, and strategies, improves understanding of Council's full GHG emissions footprint, and helps position FNDC to meet the eligibility requirements for LGFA Climate Action Loans. While emissions measurement will impose some costs on CCOs, these costs are expected to be modest relative to the value of the information obtained and the potential future financing benefits available to Council.

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

The recommendation has financial implications for FNDC's CCOs, Far North Holdings Limited, Northland NZ, and Northland Waters Limited, Ngā Wai o Te Tai Tokerau. Financial implications may also accrue to FNDC. For example, dividends paid to FNDC by Far North Holdings Ltd may reduce if profits are redirected to resource GHG emissions measurement activities.

Costs will depend on the size and complexity of each CCO, and the approach taken to GHG emissions measurement by each CCO. It is possible for organisations to carry out measurement manually using the GHG emissions measurement guidance and tools provided by the government.[12]

For comparison, the annual costs incurred by FNDC for GHG emissions measurement for both corporate emissions and community emissions since measurement began have averaged $50,000 per annum, in addition to wages for the time taken by staff members to prepare the annual GHG emissions inventory. For smaller and less complex organisations, these costs will be less.

Far North Holdings Ltd has commenced GHG emissions measurement, beginning in a simplified format by measuring only direct GHG emissions and excluding indirect GHG emissions produced through the supply chain. If indirect GHG emissions are measured in addition to direct GHG emissions, this may be done through the analysis of spend-based data to minimise additional costs incurred.

Northland NZ is not a large organisation and has previously measured GHG emissions. Resuming GHG emissions measurement will not be a complex or costly task for this organisation.

Once operational, Northland Waters Ltd will become responsible for the portion of GHG emissions associated with potable water and wastewater services which are presently managed and measured by FNDC. The current contractors have corporate GHG emissions measurement practices and reduction targets in place and presently share GHG emissions data with FNDC at no additional charge.

CCO emissions measurement will comprise only each CCO's corporate GHG emissions. The measurement of GHG emissions for other organisations the CCO works with will not be required, except in cases where these organisations provide goods and services consumed by the CCO, or consume goods and services provided by the CCO. In these cases, only the GHG emissions from the relevant production or consumption processes will be measured, rather than the total GHG emissions for these organisations.

ĀPITIHANGA / ATTACHMENTS

1. **Appendix A - Local Government Funding Agency Sustainable Loans Summary September 2026 - A5947296** ⇩
2. **Appendix B - JCCAC Recommendations for Northland Waters - A5947301** ⇩

[12] Measuring emissions guide | Ministry for the Environment

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 FNDC Climate Change Roadmap FNDC Far North 2100 Strategy 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. 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. 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. Financial implications may also accrue to FNDC through reduced CCO dividends if profits are redirected to resource GHG emissions measurement activities.
Chief Financial Officer review.	CFO has reviewed this report.

Local Government Funding Agency Sustainable Lending

NEW Sustainable Water Action Loan

Launch of the Sustainable Water Action Loan (SWALe)
Lending Programme designed to incentivise Water CCO Borrowers to improve their contribution towards Planetary Boundaries.[1]
All Borrowers must report against and meet two KPIs: a compulsory Nitrogen & Phosphorus KPI, and any one of three optional KPIs, Biogenic GHG Emissions, Embodied Carbon, or Water Efficiency.

Climate Action Loans

GHG-reduction incentive - Target-based lending designed to motivate LGFA members to reduce organisational emissions.

General-purpose funding - CAL proceeds are not tied to specific projects and can be used for any standard borrowing purpose.

Long-term borrowing - Minimum three-year maturity; suitable for refinancing or new borrowing.

Performance-linked rewards - Borrowers earn financial incentives for measuring emissions, setting science-aligned targets, and having an approved emissions reduction plan. The Borrower is required to obtain independent third-party assurance (by a credible provider) of its GHG Emissions Inventory.

GHG inventory assurance subsidy - In December 2025, LGFA announced that all new Climate Action Loan (CAL) approved borrowers will be offered a subsidy of up to $40,000 towards the cost of achieving external assurance of their operational Greenhouse Gas (GHG) Emissions.

Green and Social Loans

UN SDG alignment - All Green Projects must clearly demonstrate how they support relevant Sustainable Development Goals.

Additive sustainability benefits - Projects must show measurable, additional environmental gains, assessed and where feasible quantified by the Borrower.

[1] The concept of 'planetary boundaries' was first proposed in 2009 by a group of 28 internationally renowned scientists led by Stockholm Resilience Centre founder Johan Rockström. Crossing these boundaries increases the risk of generating large-scale abrupt or irreversible environmental changes. There are nine planetary boundaries in total. Seven of the nine planetary boundaries have already been transgressed and present critical risks to societies and the biosphere.
These are Climate Change, Biosphere Integrity, Land-System Change, Freshwater Change, Ocean Acidification, Atmospheric Aerosol Loading, Stratospheric Ozone Depletion, Novel Entities, and Biogeochemical Flows. The release of excessive phosphorus and nitrogen into the natural environment comprises the Biogeochemical Flows category.
Planetary boundaries - Stockholm Resilience Centre

Environmental objectives - Projects must directly contribute to climate mitigation, climate adaptation, natural resource conservation, biodiversity protection, or pollution prevention.

Demonstrable benefits - GS Loan-financed projects must deliver clear, evidence-based environmental and/or social outcomes.

- Climate Change Resilience and Adaptation
- Energy Efficiency
- Green Buildings
- Clean Transportation
- Sustainable Water and Wastewater Management
- Renewable Energy
- Pollution Prevention and Control
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Terrestrial and Aquatic Biodiversity Restoration
- Conservation and Enhancement
- Circular Economy Adapted Products
- Production Technologies, Processes and Business Models.

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.

6.5 NORTHLAND WATERS LIMITED - STATEMENT OF EXPECTATIONS

File Number: **A6011457**

Author: **Andy Dowdle, Transition Manager**

Authoriser: **Charlie Billington, Group Manager - Corporate Services**

To seek Council's approval and adoption of the Statement of Expectations for Northland Waters Limited (NWL), following consideration by Te Koekoeā Committee for Council Controlled Organisations on 12 October 2026.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- The Local Government (Water Services) Act 2025 (the Act) requires the shareholders of a water organisation to give it a Statement of Expectations. The organisation must give effect to the Statement.
- NWL was established on 11 May 2026. The Act requires its first Statement to be provided no later than six months after that date, which is 11 November 2026.
- Far North District Council (FNDC), Whangārei District Council (WDC) and Kaipara District Council (KDC) have prepared the draft together through the Shareholders' Representative Group (SRG). All three councils must agree to adopt it.
- The Shareholders' Representative Group (SRG) considered the draft on 5 October 2026. Te Koekoeā considered the draft on 12 October 2026, and its recommendation is set out in this report for Council's consideration.

TŪTOHUNGA / RECOMMENDATION

That Council:

a) approve and adopt the Statement of Expectations as a Reserved Matter under clause 8 of the Shareholders' Agreement, for the shareholders to provide to Northland Waters Limited under section 225 of the Local Government (Water Services) Act 2025; and

b) delegate to the Mayor and Chief Executive authority to agree minor changes to the Statement, including changes in response to comments from Northland Waters Limited, where those changes are consistent with Council's decision.

1) TĀHUHU KŌRERO / BACKGROUND

What a Statement of Expectations is

A Statement of Expectations sets out what the shareholders expect a water organisation to achieve. The Act requires the shareholders to prepare and adopt a Statement and provide it to the organisation. The Statement must cover at least 10 consecutive financial years. The organisation must give effect to it.

The Act sets out what a Statement must include:

- the outcomes the shareholders expect the organisation to achieve
- requirements about each council's resource management and land use planning
- a requirement that the organisation acts in accordance with the councils' statutory obligations
- the information the organisation must include in its half-yearly report.

The Shareholders' Agreement (SHA) adds further content that all three councils agreed. This includes relationships with hapū and iwi, performance measures, and obligations the councils hold under agreements with third parties.

What the Statement can and cannot do

The Statement sets direction at the level of outcomes and priorities, and the Act places limits on it. It must be consistent with the law, with NWL's Constitution and the SHA, and with NWL's responsibilities under the transfer agreements. It cannot direct how NWL performs a particular duty under the Act. Nor can it require NWL to do, or not do, something for a particular person, unless the Constitution or SHA allow it. If the Statement conflicts with a direction from the Water Services Authority, the Commerce Commission or Northland Regional Council, that direction applies. The shareholders can have only one Statement in place at a time.

How the Statement fits with NWL's other documents

Te Koekoeā oversees Far North Holdings Limited (FNHL) through a Letter of Expectations and a Statement of Intent. The Statement of Intent requirements in the Local Government Act 2002 do not apply to water organisations. The Act uses a different set of documents:

- The Constitution and the SHA set NWL's structure, how it is governed and which decisions the shareholders keep. They are intended to be long-lasting.
- The Transition Agreement governs the establishment period, until NWL begins delivering services on 1 July 2027.
- The Statement of Expectations sets out what the shareholders expect NWL to achieve over at least 10 years.
- The Water Services Strategy is prepared by the NWL Board. It sets NWL's investment programme and service levels, and must be guided by the Statement. The shareholders can comment on the draft Strategy and annual budget, and NWL must consider those comments. The shareholders cannot require changes to the Strategy or approve it.
- The half-yearly and annual reports are how NWL reports back to the shareholders, including the information the Statement requires.

Good practice

The Office of the Auditor-General (OAG) is NWL's auditor under its Constitution. The OAG has published guidance on the governance of council-controlled organisations. The guidance is not binding. It says that:

- councils should set clear objectives for their council-controlled organisations
- a document setting out expectations is a useful way to make roles and responsibilities clear, and to set boundaries on how the board meets its obligations
- oversight is not a means for a council to control the organisation, but an opportunity to set its direction.

For the Statement, this means being clear about the outcomes and priorities the shareholders expect, so the NWL Board knows what it is being held to. It also means leaving the running of NWL to the Board.

Statements prepared for other water organisations

Other water organisations have already received Statements from their shareholders. The first draft followed the general approach of those statements, which includes:

- a clear statement of purpose and outcomes
- a focus on establishment and transition in the early years
- alignment with council planning
- an emphasis on relationships, transparency and reporting.

In preparing its feedback, FNDC compared the draft with the Statements for three other water organisations:

- Selwyn Water Limited (Selwyn District Council)
- Tiaki Wai (metropolitan Wellington)
- Waikato Waters Limited (a group of Waikato councils).

Previous decision

On 20 May 2026, Council resolved that FNDC would join NWL as a shareholder (Council Resolution 2026/17). Council authorised FNDC to enter the SHA, the Constitution and the Transition Agreement. It also appointed Mayor Moko Tepania and Cr John Vujcich as FNDC's SRG representatives, with Cr Arohanui Allen and Cr Kelly Stratford as alternates.

How the Statement is prepared and adopted

Under the SHA, each council provides input to the Statement. The SRG reviews and refines the draft and consults NWL. The shareholders then approve and adopt the Statement as a Reserved Matter.

The SHA lists a set of Reserved Matters. These are decisions the shareholders have kept for themselves rather than leaving to the NWL Board. For each one, the SHA sets how many shareholders must agree. Adopting the Statement of Expectations is a Reserved Matter that needs a unanimous resolution, so all three councils must agree. If any one council does not agree, the Statement cannot be adopted.

Process to date

The SRG considered a first draft on 29 June 2026. The councils gave feedback during July and August 2026. Te Koekoeā held a workshop on the draft on 18 August 2026. FNDC gave its feedback to the SRG on 26 August 2026, drawing on:

- the Te Koekoeā workshop
- input from FNDC's climate and resilience staff
- technical advice from the adviser to Te Koukou, the Committee for Transport and Infrastructure
- NWL's foundation documents
- the OAG guidance
- the comparison with the three other Statements.

The SRG then reviewed the draft at workshops and online meetings in September 2026. The 30 September draft (attachment 1) was subsequently approved by the SRG on 5 October 2026. Te Koekoeā considered the draft on 12 October 2026. Its recommendation is set out in this report for Council's consideration.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

What the committee is being asked to decide

Council is asked whether to approve and adopt the Statement. If all three councils agree, the Statement becomes the shareholders' formal expectations of NWL until 30 June 2037. NWL must give effect to it, and it will guide NWL's Water Services Strategy. Changing it later would follow the same process, including the agreement of all three councils. Te Koekoeā considered the draft on 12 October 2026, and its recommendation is set out in this report.

What the draft covers

The draft sets expectations in these areas:

- customers and communities
- financial sustainability and transparency
- resilient and reliable infrastructure
- safe and compliant operations
- integrated regional service delivery
- relationships with iwi and hapū
- alignment with council planning
- relationships and collaboration
- reporting and accountability
- the transition to the operational date of 1 July 2027.

The draft also requires the NWL Water Services Strategy to be independently reviewed or audited at least once every three years. If adopted, the Statement would remain in force until 30 June 2037.

Where drafting is at

Most of the content was agreed across the three councils. Some matters remained open when the SRG agenda pack was assembled, including clauses on obligations to third parties and on relationships with iwi and hapū. FNDC provided feedback on these clauses. The SRG considered them on 5 October 2026, and Te Koekoeā considered the resulting draft on 12 October 2026.

Why this decision goes to Council

Council entered the SHA under Council Resolution 2026/17. Under the SHA, each council delegates some decisions to its SRG representatives, such as appointing directors. Adopting the Statement is not one of them, so the decision rests with each council. Te Koekoeā considered the draft and made a recommendation to Council on 12 October 2026. Council retains responsibility for the final decision.

Relevant legislation

The relevant provisions are sections 223 to 229 of the Act, and clause 8 and Schedules 3 and 6 of the SHA.

Implications for Māori

Section 3 of the draft sets expectations for NWL's relationships with iwi and hapū. NWL would act in accordance with its statutory obligations to Māori, including Treaty settlement obligations. It would also act in accordance with the councils' relationship agreements with iwi, hapū and Māori organisations. In the Far North, NWL would also be expected to:

- build relationships with hapū and iwi
- develop engagement approaches with them
- have regard to mātauranga Māori and to hapū and iwi perspectives in its planning and decisions.

Te Kahu o Taonui is the forum of iwi chairs in Te Tai Tokerau. Mayor Tepania and FNDC staff attended its Chairs hui in Kerikeri on 17 July 2026 to seek iwi input into the Statement. Iwi and hapū representatives were also invited to the Te Koekoeā workshop on the Statement on 18 August 2026. If the Statement is adopted, NWL would continue existing relationships and be expected to develop its own relationships and engagement arrangements with hapū and iwi in the Far North.

Risks and mitigations

Risk	Mitigation
The Statement is not provided by 11 November 2026.	Council considers the Statement on 22 October 2026. The delegation avoids a further Council meeting for minor changes.
One council does not agree, so the resolution cannot be unanimous.	The SRG approved the 30 September draft on 5 October 2026, supporting a coordinated approval process across the three shareholder councils.
The text changes after the committee meeting.	The delegation covers minor changes only. Substantive changes would return to Council.
NWL's comments arrive too late to be considered before Council meets on 22 October 2026.	The delegation covers minor changes in response. A substantive change would need Council to meet again before 11 November 2026.

Options

Option 1: Approve and adopt the Statement on 22 October 2026.

Council approves and adopts the Statement agreed through the SRG process, having considered Te Koekoeā's recommendation. The Mayor and Chief Executive could agree minor final changes consistent with Council's decision.

Advantages

- FNDC stays on track to provide the Statement by the statutory deadline of 11 November 2026.
- It supports a unanimous resolution of the three councils.
- Minor final changes, including any in response to NWL's comments, can be agreed without another Council meeting.
- NWL would have settled expectations from its shareholders as it prepares to deliver services from 1 July 2027.

Disadvantages

- Any matter FNDC raised that is not reflected in the version agreed by the SRG would not be pursued further before adoption.
- There may be little time to consider NWL's comments before Council meets on 22 October 2026.
- The delegation relies on a judgement about what counts as a minor change.
- Once adopted, any change would need the agreement of all three councils.

Option 2: Approve the Statement subject to changes Council specifies.

Council identifies changes it requires and approves the Statement on the condition that those changes are agreed by WDC and KDC. FNDC's SRG representatives would seek agreement to the changes.

Advantages

- FNDC's SRG representatives would have a clear mandate on particular clauses.
- Council's position on the matters it considers most important would be on the record.
- If WDC and KDC agree, the Statement would more closely reflect Council's priorities.

Disadvantages

- WDC and KDC would need to agree to any change, which may reopen negotiation.
- Adoption may be delayed beyond 22 October 2026, putting the 11 November 2026 statutory deadline at risk.
- If WDC or KDC have already approved the Statement, they would need to reconsider it.
- NWL may need a further opportunity to comment on the changed text.

Option 3: Decline to approve the Statement, or defer the decision.

Council does not approve the Statement at this meeting, or defers its decision pending further information or changes.

Advantages

- More time would be available to resolve outstanding matters.
- Council could seek further information before deciding.

Disadvantages

- The shareholders would be unlikely to meet the 11 November 2026 statutory deadline.
- WDC and KDC could not complete adoption, because it needs all three councils to agree.
- NWL would continue its establishment without settled expectations from its shareholders.

No option has a direct cost to FNDC. Option 3 may need more staff and legal time.

Next steps

- If Council approves the Statement on 22 October 2026, and WDC and KDC also approve it, the shareholders will provide it to NWL by 11 November 2026.

- FNDC and NWL must each publish the Statement on their websites within one month of adoption, and keep it there for at least seven years.
- Staff are currently drafting a performance framework that gives effect to the Statement which will be considered by the SRG.

Take Tūtohunga / Reason for the Recommendation

Option 1 allows Council to join a unanimous resolution in time to meet the statutory date of 11 November 2026. The delegation allows minor final changes without another Council meeting.

This option is consistent with the recommendation from Te Koekoeā on 12 October 2026 (Te Koekoeā Resolution 2026/17).

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

Approving the Statement has no direct financial implications for FNDC. NWL would meet the Statement's expectations within its own funding. FNDC's share of establishment costs is dealt with under the Transition Agreement.

ĀPITIHANGA / ATTACHMENTS

1. NWL Statement of Expectations (30 Sept draft) SRG Approved - A5995886

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	Staff assess this decision as low to moderate significance under the Significance and Engagement Policy 2021. The decision gives effect to Council's decision of 20 May 2026 to join NWL (Council Resolution 2026/17). It does not transfer a strategic asset and involves no unbudgeted spending. The Act requires the shareholders to consult NWL on the draft. It does not require public consultation. The Statement would shape how water services are delivered until 30 June 2037, and public interest in water services reform is high.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Local Government (Water Services) Act 2025, sections 223 to 229. Local Government Act 2002, sections 76 to 82 (decision-making). Shareholders' Agreement for Northland Waters Limited, clause 8 and Schedules 3 and 6. Council Resolution 2026/17 (20 May 2026). FNDC Significance and Engagement Policy 2021.
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 Statement applies across the whole district. The matter sits outside Community Board delegations.
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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	See "Implications for Māori" in section 2 of this 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).	Water supply and wastewater customers in the Far North, including ratepayers, developers and businesses, and iwi and hapū. If adopted, the Statement would guide how NWL delivers services to them from 1 July 2027. The Act does not require public consultation on the Statement. The views of iwi and hapū are covered in section 2 of this report.
State the financial implications and where budgetary provisions have been made to support this decision.	See section 3 of this report. No direct financial implications arise from this decision.
Chief Financial Officer review.	The CFO has not reviewed this report as there are no budgetary impacts for FNDC.

Updates: 30 September 2026

STATEMENT OF EXPECTATIONS

Prepared by: Far North District Council

Whangārei District Council

Kaipara District Council

For: Northland Waters Limited

This Statement of Expectations is issued by the Shareholders of Northland Waters Limited in accordance with section 224 of the Local Government (Water Services) Act 2025.

The terms in this Statement of Expectations have the same meaning as defined in the Shareholders' Agreement and Constitution unless otherwise specified.

DRAFT

1. Strategic Direction for Water Services in Northland

1.1. The Shareholders expect the Company to manage and develop affordable drinking water and wastewater services that are safe, reliable and resilient, and that actively support the region's long-term housing, social and economic development. In delivering these outcomes, the Company is expected to balance affordability, resilience, growth and long-term investment needs in a transparent and financially sustainable manner.

1.2. The Company will build and maintain public and commercial confidence in water services through transparent, accountable and responsive service delivery. The Company will operate as an integrated regional service including by responding in a timely and practical manner to the needs of customers, developers and businesses, particularly where service responsiveness is critical.

1.3. Northland includes a mix of dispersed communities, diverse hapū and iwi interests and aspirations, areas of rapid growth, centres of economic activity, infrastructure capacity constraints and environmental sensitivities. The Company is expected to respond to this context by delivering services in a manner that is regionally coordinated, commercially agile and locally responsive.

1.4. The Company will act in accordance with any relevant statutory obligation that applies to a Shareholder that is a territorial authority.

1.5. Subject to applicable law, the Company will act in accordance with any obligation that a Shareholder that is a territorial authority may have with a third party (including with hapū, iwi, or other Māori organisations) under a contract or other agreement, to the extent those obligations relate to the Water Services provided by the Company or its functions within the relevant Service Area.

2. **Outcomes and Strategic Expectations**

The Company is expected to give effect to the following strategic outcomes.

2.1. Customers, Communities and Service Users

a. The Company will provide services that reflect the practical needs and commercial experiences of customers, communities, developers, businesses and other users of water services. The Company will build and maintain public confidence throughout the transition and into ongoing operations.

b. The Company will ensure that:

- services are delivered safely and reliably from the Operational Date, with appropriate planning, risk management and response arrangements in place to minimise service interruptions and disruptions;
- customer interfaces, including billing, contact channels and service requests, are clear, stable and accessible from the Operational Date, so that responsibility for service delivery is well understood;
- billing arrangements are accurate and implemented in a way that supports customer understanding, including through clear communication of charges, billing timeframes and any changes from previous charging approaches;
- the transition to the Company is clearly communicated so that customers understand what has changed and how to engage with the Company;

DRAFT

- issues raised by customers are addressed in a timely, predictable, and transparent manner, and information about service performance is communicated clearly;

- developers and businesses are provided with consistent, timely and practical information, responses and services that recognise the role of water services in enabling development and economic activity, supported by clear and publicly available service standards that provide certainty around timeframes for key interactions and decisions;

- key relationships with hapū and iwi, regulators, service providers and community stakeholders, are identified early and transitioned in a coordinated and deliberate manner; and

- it works in good faith with the Shareholders recognising the role they play in planning for their district's development, and the role good water services play in supporting that development.

2.2. Financial Sustainability and Transparency

a. The Company will operate in a financially sustainable and prudent manner while maintaining affordability for current and future customers and having regard to the long-term implications of investment and funding decisions.

b. The Company will consider affordability as a key factor when developing its Water Services Strategy, Water Services Annual Budgets and major investment proposals. In doing so, the Company will be transparent about affordability impacts, the trade-offs between affordability, resilience and investment, and the implications of deferring or accelerating expenditure.

c. The Company will:

- be financially and operationally ready to perform its Water Service responsibilities from the Operational Date;

- maintain sufficient funding and working capital to meet operational and capital commitments as they fall due;

- ensure that appropriate financial management and reporting arrangements are in place from the Operational Date;

DRAFT

- implement a long-term financial strategy that balances investment, resilience and affordability;
- seek opportunities for innovation and continuous improvement that enhance service delivery, resilience, efficiency and value for customers;
- provide financial reporting that clearly explains performance, including the drivers of cost, investment priorities and service outcomes;
- ensure that its billing and financial systems support, where appropriate, the implementation of Council-led financial support mechanisms, including rates assistance schemes, while maintaining the Company's financial sustainability;
- plan and fund growth-related infrastructure in a way that reflects the costs of growth, provides transparent allocation of investment, and supports agreed sequencing of development across Service Areas; and
- comply with the applicable economic regulation and information disclosure requirements administered by the Commerce Commission.

d. The Company will provide reporting that enables the Shareholders to understand financial performance within each Service Area, including information relating to costs, revenue, debt and investment associated with each Service Area.

e. The Company will consider and report on potential options for moving towards a price harmonisation model for water charges across all Service Areas within 3.5 years of incorporation, as required by the Shareholders' Agreement.

2.3. Resilient and Reliable Water Infrastructure

a. The Company will build, maintain and operate infrastructure that supports reliable service delivery and enables the long-term economic development of the region.

b. The Company will have regard to the importance of protecting and enhancing the health and wellbeing of water bodies when undertaking planning, investment and decision-making relating to Water Services.

DRAFT

c. The Company will:

- be ready to continue delivery of the agreed capital programme from the Operational Date, including the agreed capital programme for 2027/2028 while supporting continuity of works and confidence for suppliers and delivery partners;
- identify and assess asset condition, network constraints and service risks across the region and use that information to inform prioritisation and investment decisions;
- identify critical assets, understand key risks associated with those assets, and implement appropriate mitigation measures;
- base investment decisions on long-term planning, projected growth and required levels of service, including prioritising investment to address known network capacity constraints that limit development; and
- incorporate climate adaptation and resilience considerations into infrastructure planning and asset management.

d. The Company will plan and deliver its capital programme in a way that provides clear sequencing of works across Service Areas, ensures transparency of prioritisation decisions, maintains confidence in delivery, and provides clear reasons for any material reprioritisation, disruption or deferral of planned works, particularly where significant growth or infrastructure investment is planned.

e. The Company will operate in a way that seeks to improve service performance across the region while ensuring that no Service Area experiences a reduction in service levels or an unreasonable delay in planned investment.

2.4. Safe and Compliant Operations

a. The Company will maintain high standards of safety, regulatory compliance and environmental management.

b. The Company will:

- identify and manage its regulatory obligations from the Operational Date and maintain appropriate arrangements for achieving and demonstrating compliance;

DRAFT

- seek to contribute to improved environmental outcomes and the long-term health of water bodies through its planning, investment and operational decision-making;

- maintain effective systems and processes to support compliance with applicable requirements of Taumata Arowai and other relevant regulators;

- develop, implement and maintain appropriate governance, risk, information, complaints and emergency management frameworks to support the safe and accountable delivery of Water Services;

- implement health, safety and emergency response arrangements that are fully operational and clearly understood, including defined roles and escalation processes;

- ensure that systems and data required for safe and compliant operations are in place from the Operational Date; and

- foster an organisational culture that prioritises safety and compliance in both decision-making and supports a balanced approach to risk and investment while maintaining appropriate standards.

2.5. Integrated Regional Service Delivery

a. The Company will operate as a regional organisation, coordinating the efficient delivery of Water Services across Northland, while remaining responsive to differing circumstances, needs and priorities of each Service Area.

b. The Company will:

- Support an orderly transition of staff in a way that ensures continuity of employment arrangements, accuracy of remuneration and retention of institutional knowledge;
- ensure that the governance and organisational capability required to deliver Water Services is in place from the Operational Date;
- develop and adopt a Water Services Strategy that provides a clear long-term framework for investment, service delivery and decision-making;

DRAFT

- explain in the Water Services Strategy how affordability has been considered and balanced alongside service levels, resilience, growth and regulatory requirements; and
- deliver services through a regionally coordinated approach while remaining responsive to local service needs, and avoid unnecessary delays in design and implementation.

c. The Shareholders recognise that differences in local circumstances, service characteristics and legacy arrangements may require variations in approach. Where this occurs, area-specific expectations or requirements may be developed and applied.

3. Relationships with Iwi and Hapū

3.1. The Company will act in accordance with:

a. its statutory obligations in relation to Māori, including relevant Treaty settlement obligations; and
b. the obligations and commitments held by the Shareholders under existing relationship agreements with iwi, hapū and Māori organisations, to the extent those obligations are relevant to the Water Services provided by the Company or its functions within the relevant Service Area.

This clause applies in all Service Areas.

3.2. In giving effect to clause 3.1, Whangārei District Council expects the Company, in Whangārei District Council's Service Area, to:

a. build and maintain effective relationships with hapū, iwi and Māori organisations and reflect those relationships in its planning, decision-making and delivery of Water Services. The Company recognises that those relationships contribute to positive water, environmental and community outcomes.
b. work with hapū and iwi to develop and maintain engagement approaches and relationship arrangements that support ongoing dialogue, advice, participation and information-sharing; and
c. have regard to mātauranga Māori, local knowledge, and hapū and iwi perspectives, when undertaking planning, investment and decision-making activities relevant to Water Services.

3.3. Far North District Council expects the Company, in Far North District Council's Service Area, to:

a. build and maintain effective relationships with hapū, iwi and Māori organisations and reflect those relationships in its planning, decision-making and delivery of Water Services. The Company recognises that those relationships contribute to positive water, environmental and community outcomes.
b. work with hapū and iwi to develop and maintain engagement approaches and relationship arrangements that support ongoing dialogue, advice, participation and information-sharing; and
c. have regard to mātauranga Māori, local knowledge, and hapū and iwi perspectives, when undertaking planning, investment and decision-making activities relevant to Water Services.

4. Independent Review of Water Services Strategy

4.1. The Company will ensure that all or part of the Water Services Strategy is independently reviewed or audited, at least once every 3 years.

4.2. The Shareholders will set the scope, timing and reporting arrangements for each independent review or audit to be undertaken.

5. Planning and Strategy Alignment

5.1. The Company will operate in a manner that aligns with the planning frameworks and statutory responsibilities of the Shareholders.

5.2. The Company will:

a. have regard to relevant resource management, land use and growth planning frameworks, including the Future Development Strategy, any Regional Spatial Plan, Infrastructure Strategies, Long-Term Plans and other strategic planning documents of the Shareholders;
b. ensure that its Water Services Strategy provides a clear connection between the Shareholders' priorities and relevant Long-Term Plan outcomes, and the Company's planning and investment decisions;
c. seek to understand the priorities, interests and aspirations of affected hapū and iwi, and consider these when developing its Water Services Strategy and other significant planning documents;

d. engage with the Shareholders at an early stage where decisions may have significant implications for growth, infrastructure sequencing or community outcomes;
e. work with relevant Shareholder functions, including transport, stormwater, drainage and flood management, to support integrated planning, investment and delivery outcomes;
f. provide technical advice and information to support Shareholder planning, policy development and decision-making in matters relating to Water Services; and
g. ensure that planning, asset and operational information is aligned and shared with the Shareholders to support coordinated delivery and clear visibility across council functions.

5.3. In making planning and investment decisions, the Company will ensure that infrastructure sequencing aligns with agreed growth priorities and existing delivery programmes across each Service Area, and that any proposed changes are clearly explained and discussed with the Shareholders.

6. Relationships and Collaboration

6.1. The Company will maintain effective and constructive relationships with the Shareholders, customers, developers, businesses and other stakeholders, and will develop and maintain its own relationships with the communities it serves.

6.2. The Company will:

a. engage with the Shareholders and stakeholders, including the commercial sector, in a professional and constructive manner;
b. provide information reasonably required by the Shareholders to support their statutory, governance and adopted policy obligations in a timely manner;
c. recognise and work constructively with local governance, advisory and engagement arrangements established by the Shareholders, where these are relevant to the provision of Water Services;
d. work constructively with infrastructure and utility providers where coordination is required to support infrastructure planning, delivery and maintenance activities;
e. ensure that communication is timely, transparent and consistent with a 'no surprises' approach;
f. provide early visibility of emerging issues, risks and material decisions that may affect the Shareholders, communities, or the delivery and sequencing of planned growth; and

g. undertake meaningful engagement with communities and service users and collaborate with relevant parties where this contributes to better outcomes, including working constructively with the Shareholders to resolve differences in planning and engineering assumptions in a timely manner to avoid unnecessary delays to projects.

7. Supporting services

7.1. The Company will be open to entering into formal arrangements with Shareholder council(s), subject to development of agreed commercial terms, to support delivery of services that are the responsibility of councils. These may include, amongst other things:

a. stormwater
b. land drainage systems

8. Reporting and Accountability

8.1. The Company must provide timely and transparent information to enable effective oversight and accountability.

8.2. The Company will:

a. meet all statutory reporting requirements, including half-yearly reporting;
b. report on financial and non-financial performance against the expectations set out in this Statement of Expectations, including progress toward the Company's strategic objectives and priorities; and
c. disclose matters of material significance, including risks and issues that may affect performance, development timelines, or public confidence.

8.3. The Water Services Half-Yearly Report will include, at a minimum, information relating to:

a. financial performance and financial position, including forecast debt by Service Area;
b. affordability, including significant affordability risks and pressures and how affordability considerations have informed investment and funding decisions;
c. delivery of the capital programme;
d. performance against the Water Services Strategy and Statement of Expectations;
e. significant operational, regulatory and strategic risks;

DRAFT

f. key asset condition challenges, priority investment areas and progress in addressing identified network constraints and asset risks;
g. material issues, opportunities and emerging trends that may affect future performance; and
h. how comments made by the Shareholders on the draft Water Services Strategy and draft Water Services Annual Budget under clause 3.2 of the Constitution have been considered.

8.4. The Company's reporting will support a clear understanding of service performance, financial performance and progress against strategic objectives. This will include reporting that provides visibility of the timeliness and quality of technical inputs into the Shareholders' planning and consenting processes, with performance measures to be developed through the Company's performance framework.

9. **Performance Framework**

9.1. The Shareholders will develop a performance framework that gives effect to the expectations set out in this Statement of Expectations.

9.2. The Company will maintain, and implement the requirements of, the performance framework.

9.3. The performance framework will:
a. include clear, measurable indicators and targets across key performance domains, including service delivery, customer outcomes, financial performance, environmental outcomes, and asset performance;
b. enable performance to be monitored over time and assessed against the expectations and outcomes set out in this Statement of Expectations; and
c. support transparent, consistent, and meaningful reporting to the Shareholders.

9.4. The Company will report against the performance framework, including, at a minimum, providing insight into:
a. performance against agreed indicators and targets;
b. key trade-offs between cost, level of service, and investment;
c. progress in delivering efficiency gains and long-term benefits; and
d. emerging risks and issues affecting performance.

DRAFT

9.5. The Company will ensure that performance information is presented in a way that enables the Shareholders to understand progress over time and identify where further direction or decision-making may be required.

9.6. Detailed performance measures, including those relating to service delivery timeframes and responsiveness, will be set out in a separate and adaptable performance framework that allows detailed metrics to be updated over time.

10. Transition and Establishment Expectations

10.1. The Company will give particular priority to achieving Operational Date readiness and ensuring operational stability through the Transition Period.

10.2. The Company will:

a. plan for and support continuity of Water Services through the transition and from the Operational Date, with appropriate arrangements to minimise disruption;
b. ensure that customer-facing systems and processes are operational, accessible and clearly understood in advance of the Operational Date;
c. support continuity of Water Services and delivery programmes through the effective transition of key contractual and supplier relationships;
d. identify, monitor and manage material risks associated with the transition;
e. support the effective transfer and retention of key capability, institutional knowledge and delivery capacity through the transition; and
f. support continuity of existing capital programmes and minimises unnecessary disruption to established delivery programmes.

11. Application and Future Development

11.1. This Statement of Expectations sets the Shareholders' expectations of the Company at the point of establishment and provides the framework against which performance and development will be considered.

11.2. The Company and The Shareholders acknowledge that:
a. the Company will evolve as it establishes and matures;
b. further detail may be developed over time, including in relation to a specific Service Area, relationships, or performance expectations; and
c. any amendment to or replacement of this Statement of Expectations will be undertaken in accordance with clause 8.3 of the Shareholders' Agreement and the Local Government (Water Services) Act 2025.

DRAFT

11.3. This Statement of Expectations comes into effect on the date it is approved by the Shareholders and will continue in force until 30 June 2037.

DRAFT

6.6 FAR NORTH HOLDINGS LIMITED - ANNUAL REPORT

File Number: **A5993674**

Author: **Amber Wihongi-Alderton, Executive Assistant to the Group Manager**

Authoriser: **Charlie Billington, Group Manager - Corporate Services**

TAKE PŪRONGO / PURPOSE OF THE REPORT

To present Far North Holdings Limited's (FNHL) FY26 Annual Report to Council for receipt, following consideration and recommendation by Te Koekoeā Committee for Council Controlled Organisations (Te Koekoeā).

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- The report presents Far North Holdings Limited's Annual Report.
- The Annual Report includes FNHL's full-year performance, audited financial statements, and performance against Statement of Intent targets.
- Te Koekoeā has reviewed the report recommends that Council receives the Far North Holdings Limited FY26 Annual Report.

TŪTOHUNGA / RECOMMENDATION

That Council receives the Far North Holdings Limited FY26 Annual Report.

1) TĀHUHU KŌRERO / BACKGROUND

Far North Holdings Limited (FNHL) is a limited liability company incorporated under the Companies Act 1993 and a council-controlled trading organisation under section 6 of the Local Government Act 2002 (LGA02). It is wholly owned by Far North District Council.

Under section 67 of the LGA02, FNHL is required to deliver an annual report to its shareholder within three months after the end of the financial year. Sections 68 and 69 prescribe the report's content and audit requirements, including audited financial statements and an assessment of performance against the Statement of Intent. The Annual Report forms part of Council's shareholder accountability and monitoring framework.

FNHL delivered its FY26 Annual Report to Council on 30 September 2026.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The Far North Holdings Limited FY26 Annual Report provides:

- an overview of FNHL's activities and key achievements for the financial year;
- performance against Statement of Intent targets and other accountability measures;
- audited financial statements and commentary on financial performance;
- reporting on governance, operations, and strategic matters relevant to FNHL's role as Council's council-controlled trading organisation; and any other reporting required under sections 67 - 69 of the LGA02 or the Statement of Intent.

Statutory and governance requirements

The LGA02 requires FNHL to deliver its Annual Report to Council and prescribes its content and audit requirements. Te Koekoeā reviewed the report at its meeting on 12 October 2026 and recommended that Council receive the Far North Holdings Limited FY26 Annual Report. Staff will publish the Annual Report on Council's website within one month of Council receiving it.

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

There are no direct financial implications arising from receiving this report. Any financial matters relating to FNHL's performance are addressed in the Annual Report.

ĀPITIHANGA / ATTACHMENTS

1. Far North Holdings Limited FY26 Annual Report - A5993624

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	Low. The report concerns Council's routine shareholder monitoring of FNHL and does not trigger any significance criteria under Council's Significance and Engagement Policy.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Local Government Act 2002, sections 67 to 69; Te Koekoeā Committee for Council Controlled Organisations Terms of Reference; Council's Significance and Engagement Policy; FNHL's Statement of Intent; and Council's shareholder monitoring responsibilities.
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 matter has district-wide relevance because FNHL is wholly owned by Council and operates assets and activities of interest across the district. Community Board views have not been sought because the decision is a governance and shareholder monitoring matter.
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. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	There are no specific implications for Māori arising from the receipt of the Annual Report. The decision does not relate to land or a body of water and does not require separate engagement with Māori.
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).	Council, as FNHL's shareholder, and the FNHL Board have a direct interest in the matter. The wider community also has an interest in FNHL's performance. The Annual Report is an audited public accountability document and must be published on Council's website within one month of receipt.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no direct financial implications arising from the recommendation and no additional budgetary provision is required. FNHL's financial performance is reported in its audited Annual Report.

Chief Financial Officer review.	A Chief Financial Officer review is not required because the recommendation has no direct financial or budgetary implications.

FAR NORTH HOLDINGS LIMITED

2025/2026 ANNUAL REPORT

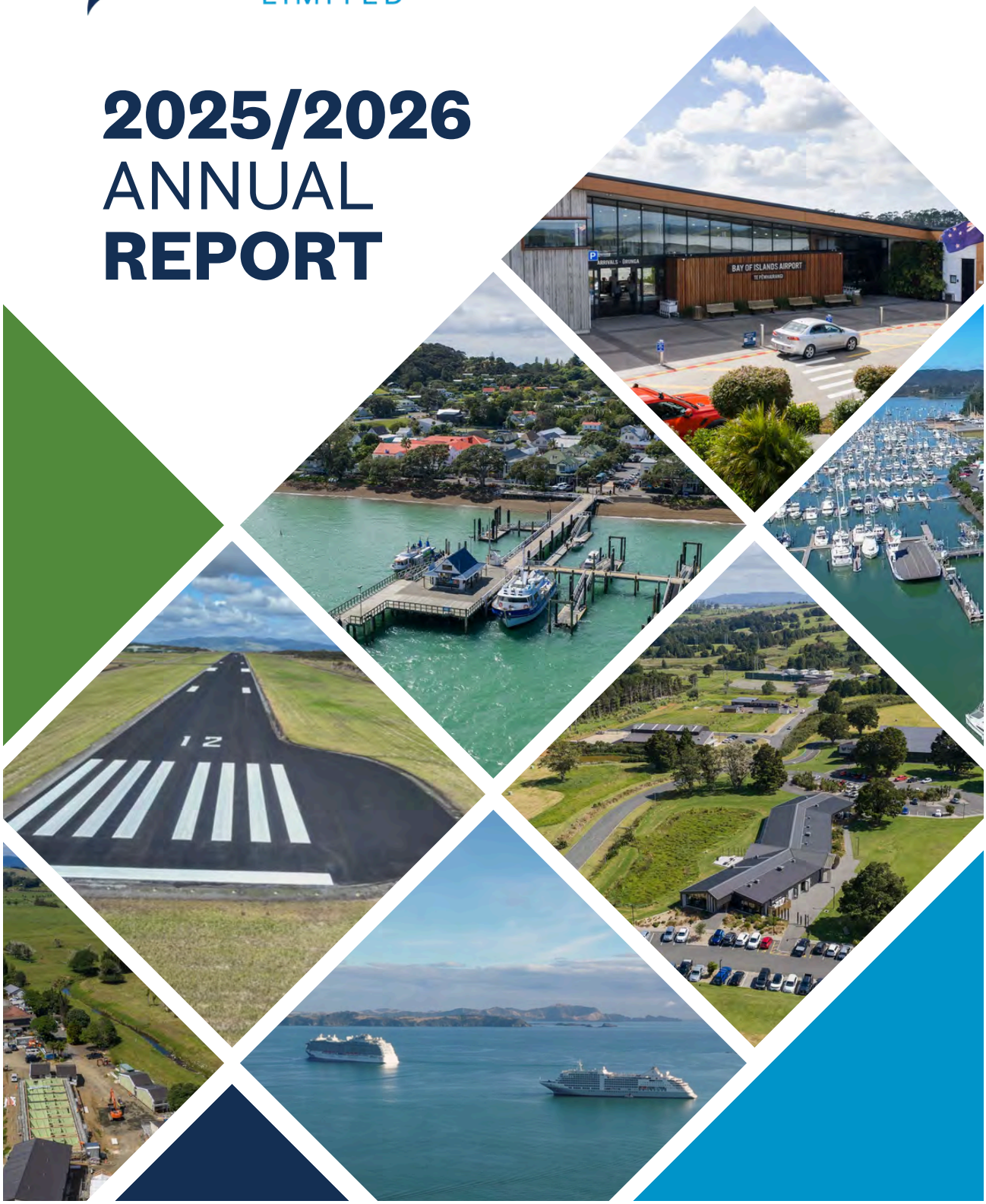


TABLE OF CONTENTS
TE RĀRANGI KAUPAPA

ABOUT US
MŌ MĀTOU 2

VALUES & PRINCIPLES
NGĀ UARA ME NGĀ MĀTĀPONO 4

CHAIR & CEO REPORT
NGĀ RIPOATA A TE HEAMANA ME TE TUMU WHAKARAE 5

FY26 AT A GLANCE
HE TIROHANGA KI TE TAU PŪTEA 2026 9

FINANCIAL OVERVIEW
TE TIROHANGA AHUMONI 10

OUR PEOPLE
Ā MĀTOU TĀNGATA 12

DELIVERING FOR OUR COMMUNITY
NGĀ MAHINGA MŌ TE HAPORI 15

GOVERNANCE AND LEADERSHIP
TE MANA WHAKAHAERE ME TE HAUTŪTANGA 18

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026
TE TAUĀKĪ PŪTEA MŌ TE TAU OTI ANA I TE 30 O HUNE 2026 20

STATUTORY INFORMATION
NGĀ TAIPITOPITO KŌRERO Ā TURE 55

COMPANY DIRECTORY
RĀRANGI KAMUPENE 58

ABOUT US
MŌ MĀTOU

Far North Holdings Ltd is a Council Controlled Trading Organisation (CCTO) under the Local Government Act 2002, wholly owned by the Far North District Council (FNDC).



Far North Holdings Ltd's operations span across Te Tai Tokerau Northland with assets totalling $215 million.

Far North Holdings Owned

- Cruise Ship Management
- Commercial Property
- Airports
- Community Housing
- Maritime

Managed on Behalf of FNDC

- Airports
- Maritime

Our Purpose

To contribute to the sustainable prosperity and well-being of the Far North through astute commercial development, investment and management of assets and infrastructure.

Ngā Whāinga

Kia tautoko i te oranga tonutanga me te whai rawa o Te Hiku o te Ika mā te whakawhanake pakihi, te haumi me te whakahaere i ngā rawa me ngā tūāhanga.

ABOUT US
MŌ MĀTOU



Community Housing
Far North Holdings supports community housing with Ministry for Cities, Environment, Regions and Transport (MCERT) and local community housing providers, delivering 124 homes across Te Kamo, Kaikohe and Dargaville. A further 28 homes are underway in Kaitaia with Claud Switzer Memorial Trust, due for completion in late 2026.

Maritime - Marina, Boatyard & Public Wharves
Bay of Islands Marina manages maritime facilities across the Far North, including the 420-berth Opua Marina, a full-service boatyard and key port of entry for international yachts. It also manages wharves and 77 other maritime assets.

Ngawha Innovation & Enterprise Park
Far North Holdings developed Ngawha Innovation and Enterprise Park, a 189-hectare business hub supported by Kānoa and FNDC. Established in 2022, the Park supports regional wellbeing and attracts complementary businesses and investment.

Commercial Property
Far North Holdings manages over 300 lease and licence agreements across a diverse commercial property portfolio.

Cruise Ship Management
Far North Holdings manages cruise visits as Port Authority and holds International Ship and Port Facility Security (ISPS) certification for its Waitangi tender facility, ensuring secure, compliant operations. Cruise activity supports local businesses and tourism across the region.

Airports
Far North Holdings owns and operates Bay of Islands Airport and manages Kaitaia Airport, supporting essential passenger, medical and emergency services. Both airports provide domestic access and Bay of Islands Airport serves as a Lifeline Utility during emergencies.

VALUES & PRINCIPLES
NGĀ UARA ME NGĀ MĀTĀPONO

Values

Ambitious for our people and communities

Listen and support tangata whenua

Transparent and accountable partnership

Deliver on our commitments

Teamwork driven excellence

Ngā Uara

Ko te manawanui ki ō tātou tangata me te hapori

Ko te whakarongo me te tautoko i te tangata whenua

He hononga pono, he haepapa pono

Ko te whakatutuki i a mātou herenga

Ko te kairangi nā te mahi tahi



Guiding Principles

We prioritise the Health, Safety and Wellbeing of our people and the public in everything we do.

We focus on delivering sustainable commercial value to our shareholder.

We manage and develop key strategic assets enabling them to support prosperity, economic growth, resilience and wellbeing of our communities in the Far North District.

We support Regional initiatives, delivering infrastructure and assets that meet the needs of Northland's Territorial Authorities, NRC and Central Government.

We build and maintain strong relationships and act as a valued partner, advisor and contributor to our shareholder, central and local government, tangata whenua, our communities and other stakeholders.

Ngā Mātāpono Arataki

Ko te hauora, te haumarutanga, me te oranga hoki o ā mātou tāngata me te marea, te aronga matua i ā mātou mahi katoa.

Ka aro mātou ki te tuku wāriu ahumoni e toitū ai ki ngā kaiwhaipānga.

Ka whakahaere, ka whakawhanake hoki mātou i ngā rawa rautaki matua kia tautoko ai ēnei i te whai rawa, te tupu o te ōhanga, te manawaroa me te oranga o ō tātou hapori puta noa i Te Hiku o te Ika.

He mea tautoko nā mātou ngā kaupapa ā-rohe, mā te whakarato tūāhunga me ngā huarawa kei ngā taumata tika e hiahia ana e Ngā Mana ā-Rohe o Te Tai Tokerau, Te Kaunihera ā-Rohe o Te Tai Tokerau me te Kāwanatanga.

Ka whakarite, ā, ka whakaū mātou i ngā hononga kaha, e tū nei mātou hei hoamahi whaimana, hei kaitohutohu, ā, hei kaiwhakawhiwhi anō hoki ki ngā kaiwhaipānga, te Kāwanatanga, ngā Kaunihera, ngā tangata whenua, ngā hapori me ngā kiripānga.

CHAIR & CEO REPORT

NGĀ RIPOATA A TE HEAMANA ME TE TUMU WHAKARAE



We are proud to present the Far North Holdings Limited Group Annual Report for the year ended 30 June 2026, and to reflect on a year of progress, partnership and continued delivery for the Far North.

FY26 was a year of strong delivery in a challenging economic operating environment. Far North Holdings maintained financial discipline, progressed important community and infrastructure projects, and continued to strengthen the partnerships and asset base that support long-term value for our Shareholder and the Far North.

The year marked the first stage of our refreshed strategy, reflecting a deliberate shift towards development-led growth. Our focus has been on building and progressing a pipeline of housing and commercial property opportunities that leverage our expertise, strengthen future earnings, and contribute to the economic development of Northland.

Financial Strength and Shareholder Value
Far North Holdings achieved a Statement of Intent (SOI) operating profit of $3.2 million for the year, in line with FY25 operating profit of $3.3 million. Total comprehensive income was $5.2 million, including asset revaluation movements. This was lower than FY25 total comprehensive income of $11.4 million, with valuation gains varying from year to year depending on the timing of completed development projects, market valuations and asset recycling decisions. Overall, the Group's portfolio value remained resilient, reflecting the strength and quality of Far North Holdings asset base in a challenging market environment.

Dividends
During the year, Far North Holdings paid dividends of $5.0 million to Far North District Council (FNDC), comprising an ordinary dividend and a special dividend. This followed dividends of $5.5 million paid in the previous financial year and brings total dividends paid over the last five years to $12.9 million. These dividend levels have been supported by development gains realised in recent years. While dividends are expected to reduce in the near term, the Board remains focused on sustainably increasing dividends over the medium term through new development activity, disciplined asset recycling and a stronger project pipeline.

Investing in Communities
Housing and commercial property development is the Group's highest-priority growth area. Community housing remained an important part of that work during FY26, with the 28-home community housing project in Kaitaia under construction in partnership with the Claud Switzer Memorial Trust.

Far North Holdings also advanced resource consent and funding-related work for potential housing projects, with applications being made to the Government's flexible fund to support social and affordable rental housing.

If approved, these projects would add to the Group's future housing pipeline.

Changing central government policy affected the timing and certainty of future housing opportunities, but it did not change the underlying need or the strategic importance of building a development pipeline.

Far North Holdings' approach has been to manage existing commitments carefully, progress viable partnerships, and maintain a disciplined approach to delivery risk, asset recycling and capital deployment.

Delivering with Our Shareholder
Our relationship with FNDC continued to be central to delivery. During the year, Far North Holdings progressed priority projects on behalf of Council, including the Kaikohe Library and Civic Hub, which remains on time and within budget. Kaitaia Airport resilience works also advanced, with the main runway and apron being complete, delivered to programme and within approved budgets.

Connecting the Far North
Far North Holdings transport and visitor-related assets play an important role in connecting people, enabling business and welcoming visitors to the district. During the cruise ship season, the Bay of Islands welcomed 42 cruise ships and 84,000 passengers. Although ship visits were below FY25 levels, in line with fewer cruise ships visiting New Zealand shores, visitor interest in the destination remained strong, including a New Zealand record for shore excursions booked for a single ship.

Bay of Islands Airport remained an essential regional connection point, with passenger numbers reaching 124,000 for the year. While Air New Zealand flight schedules were affected by fuel-related pressures, the airport continued to provide important connectivity for residents, businesses and visitors. Far North Holdings also contributed to wider sector engagement on Civil Aviation Authority regulatory changes relevant to future runway extension opportunities.

A runway extension would support future Air New Zealand airline fleet requirements and help protect long-term air services for the Far North. It would also strengthen regional growth by improving visitor access, supporting business connectivity, and reinforcing the airport's role as strategic infrastructure for tourism, investment and community resilience.

CHAIR & CEO REPORT

NGĀ RIPOATA A TE HEAMANA ME TE TUMU WHAKARAE

Looking Ahead

Far North Holdings is well positioned as it looks ahead to strengthening and building a pipeline of projects that benefit the Far North.

Our priorities are clear: disciplined capital allocation, active development pipeline management, careful asset stewardship, improved efficiency and sustainable returns for reinvestment and dividends.

We will continue to balance commercial performance with broader regional outcomes. Far North Holdings role is to create enduring value for FNDC, contribute to the wellbeing and prosperity of Far North communities, and pursue larger-scale housing, commercial and regional delivery opportunities where risk, return and shareholder expectations are aligned.

People and Partnerships

The signing of a Relationship Agreement with Ngāti Rangi ki Ngawha for Ngawha Innovation & Enterprise Park was also another important milestone, reflecting the strength of this long-standing partnership and shared commitment to the Park's future.

We were also pleased to welcome Tony Sewell to the Far North Holdings Board during the year. Tony brings valuable governance, commercial and development experience that will support the Group's activities as we manage delivery risk, partnership opportunities and long-term community outcomes.

We thank our directors, employees, partners, tenants, customers and shareholder for their continued support. The progress achieved during FY26 reflects the commitment of our people and the strength of the relationships that underpin Far North Holdings work across the Far North.

Sarah Petersen
Chair

Andy Nock
CEO



Far North Holdings is proud to continue supporting the R. Tucker Thompson youth development programme, helping young Northlanders access life-changing experiences at sea. Through immersive voyages aboard the iconic tall ship, participants develop leadership, teamwork, resilience and confidence while forming lasting connections with their peers and the region.

This sponsorship reflects our commitment to investing in the future of Te Tai Tokerau by supporting opportunities that empower rangatahi to realise their potential and contribute positively to their communities.

Photo left: The iconic R. Tucker Thompson, which supports youth development opportunities for rangatahi across Te Tai Tokerau.

NGĀ RIPOATA A TE HEAMANA ME TE TUMU WHAKARAE

CHAIR & CEO REPORT

Ko tēnei te whakamāori o te rīpoata Ingarihi i mua ake nei.



E whakaahurei ana mātou ki te whakatakoto i te Pūrongo ā-Tau a te Rōpū Far North Holdings Limited mō te tau i mutu i te 30 o Pipiri 2026, me te hoki whakamuri ki te tau kua pahure atu nei, nā, he tau i kitea ai te ahu whakamua, te mahi ngātahi me te tuku tonutanga o ngā hua mō Te Hiku i te Ika.

He tau tino whai hua te FY26 ahakoa te taiao ōhanga wero nei. Ka ū tonu a Far North Holdings ki te whakahaere pūtea tōtika, ka kōkiri i ngā kaupapa hapori me ngā kaupapa tūāhanga whakahirahira, ā, ka whakapakari tonu i ngā hononga me te tūāpapa rawa e tautoko ana i te wāriu toitū mō tō mātou Kaipupuri Hea me Te Hiku o te Ika nōki.

Ko tēnei tau te wāhanga tuatahi o tā mātou rautaki kua whakahoungia, e whakaatu ana i te aronga matua ki te tupu ā-whakawhanaketanga. Ko tā mātou aronga ko te waihanga me te kōkiri i tētahi ara kaupapa whare me ngā rawa arumoni e whakamahi ana i ō mātou pūkenga, e whakapakari ana i ngā whiwhinga ā muri ake nei, ā, e whai wāhi ana ki te whanaketanga ōhanga o Te Tai Tokerau.

Te Kaha Pūtea me te Wāriu mō te Kaipupuri Hea

I tutuki i a Far North Holdings te Tauākī Whāinga (SOI) mō te tau, a, he hua whakamahi e $3.2 miriona te rahi, e ai ki te hua whakahaere FY25 e $3.3 miriona. Ko te tapeke whiwhinga whānui he $5.2 miriona, tae atu ki ngā arotakenga wāriu o ngā rawa. He iti iho tēnei i te tapeke whiwhinga whānui o FY25, arā, e $11.4 miriona. Ka rerekē ngā hua arotake wāriu i ia tau, nā te wā e oti ai ngā kaupapa whakawhanake, ngā wāriu mākete me ngā whakatau mō te hangarua rawa. Ko te tirohanga whānui, e pakari tonu ana te wāriu o te kōpaki rawa a te Rōpū, e whakaatu ana i te kaha me te kounga o te tūāpapa rawa a Far North Holdings i roto i tētahi taiao mākete nui nei anō te wero.

Ngā Wāwānga

Nō te tau nei, i utua e Far North Holdings ngā wāwānga e $5.0 miriona ki FNDC, arā, he wāwānga noa me tētahi wāwānga motuhake. I whai tēnei i ngā wāwānga e $5.5 miriona i utua i te tau pūtea o mua, ā, kua eke te tapeke o ngā wāwānga kua utua i roto i ngā tau e rima kua pahure ki te $12.9 miriona. E tautokona ana ēnei taumata wāwānga e ngā hua whakawhanaketanga i whakatutukihia i ngā tau tata nei. Ahakoa e matapaetia ana ko te heke ngā wāwānga ā te wā tata, e aro tonu ana te Poari ki te whakapiki toitū i ngā wāwānga i te wā waenga mā ngā mahi whakawhanake hou, te hangarua rawa whai tikanga me tētahi ara kaupapa kaha ake.

Te Haumi ki ngā Hapori

Ko te whakawhanaketanga whare me ngā rawa arumoni te wāhanga tupu matua rawa a te Rōpū. E noho tonu ana ngā whare hapori hei wāhanga nui o aua mahi i te FY26, ā, i hangā i Kaitaia te kaupapa whare hapori e 28 ngā kāinga, he mea mahi ngātahi me te Claud Switzer Memorial Trust.

I kōkiri hoki a Far North Holdings i ngā mahi e pā ana ki ngā whakaaetanga rawa me te pūtea mō ētahi kaupapa whare, me ngā tono ki te pūtea ngāwari a te Kāwanatanga hei tautoko i ngā whare pāpori me ngā whare rīhi utu māmā. Ki te whakaaetia, ka tāpiri ēnei kaupapa ki te ara kaupapa whare a te Rōpū mō ngā rā e heke mai nei.

Nā ngā huringa o ngā kaupapa here a te Kāwanatanga i pā ai te wā me te mōhio pū o ngā arawātea whare ā muri ake nei, engari kīhei i huri te tino hiahia, te hiranga rautaki rānei o te hanga i tētahi ara kaupapa whakawhanake.

Ko te huarahi a Far North Holdings he āta whakahaere i ngā herenga o nāianei, he kōkiri i ngā hononga mahi e taea ana, me te pupuri i tētahi huarahi whakahaere whai tikanga ki ngā tūraru tuku, te hangarua rawa me te tohatoha pūrawa.

Te Whakatutuki Ngātahi me tō Mātou Kaipupuri Hea

E ū tonu ana tō mātou hononga ki FNDC hei pou matua mō te whakatutuki kaupapa. I roto i te tau, i kōkiri a Far North Holdings i ngā kaupapa matua mā te Kaunihera, tae atu ki te Whare Pukapuka me te Pokapū Hapori o Kaikohe, e haere tonu ana e ai ki te wā kua whakaritea me te pūtea kua whakaaetia. E ahu whakamua ana hoki ngā mahi whakapakari i te taunga rererangi o Kaitāia, ā, kua oti te papa rererangi matua me te wāhi tū waka rererangi, e ai ki te hōtaka me ngā pūtea kua whakaaetia.

Te Tūhono i Te Tai Tokerau

He wāhi nui tō ngā rawa waka me ngā rawa manuhiri a Far North Holdings ki te tūhono i te tangata, te āhei o ngā pakihi ki te mahi, me te manaaki hoki i ngā manuhiri ki te rohe nei. I te kaupeka o ngā kaipuke whakatere, i pōwhiritia e te Pēwhairangi ngā kaipuke whakatere e 42 me ngā pāhihi e 84,000. Ahakoa he iti iho ngā toronga kaipuke tērā i ngā taumata o FY25, e kaha tonu ana te hiahia o ngā manuhiri ki te rohe nei, ā, ka tū tētahi rekoata o Aotearoa mō te maha o ngā haerenga ki uta nō tētahi kaipuke kotahi.

E noho tonu ana te Taunga Rererangi o Pēwhairangi hei hononga ā-rohe tino hirahira, ā, eke ana te tokomaha o ngā pāhihi ki te 124,000 mō te tau. Ahakoa e pāngia ana ngā hōtaka rerenga a Air New Zealand ki ngā taimahatanga ā-kora, i whakarato tonu te taunga rererangi i ngā hononga whakahirahira mō ngā kainoho, ngā pakihi me ngā manuhiri anō hoki. I whai wāhi hoki a Far North Holdings ki ngā kōrero whānui a te rāngai mō ngā hurihanga ture kua marohitia e te Civil Aviation Authority, ā, e hāngai ana ēnei ki te whakawhānui ake i te papa rererangi ā muri ake nei.

Mā te whakawhānui i te papa rererangi e tautoko ngā hiahia ā muri ake nei mō te kāhui waka rererangi a Air New Zealand, ā, ka āwhina hoki ki te tiaki i ngā ratonga rererangi tautini mō Te Tai Tokerau. Ka whakapakari hoki tēnei i te tupu ā-rohe mā te whakapai ake i te urunga mai o ngā manuhiri, te tautoko i ngā hononga pakihi, me te whakapūmau i te tūranga o te taunga rererangi hei tūāhanga matua mō te tāpoi, te haumitanga me te manawaroa o te hapori.

NGĀ RIPOATA A TE HEAMANA ME TE TUMU WHAKARAE

CHAIR & CEO REPORT

Ko tēnei te whakamāori o te rīpoata Ingarihi i mua ake nei.

Te Titiro Whakamua

E titiro whakamua ana mātou ki FY27, ā, e tū pai ana a Far North Holdings ki te whakapakari, ki te waihanga nōki i tētahi ara kaupapa e whai hua ai Te Hiku.

E mārama ana ā mātou kaupapa matua: ko te tohatoha pūrawa whai tikanga, ko te whakahaere kaha i te ara kaupapa whakawhanake, ko te āta tiaki i ngā rawa, ko te whakapiki i te pai o ngā mahi, me ngā hua toitū hei haumi, hei utu wāwānga hoki.

E mahi tonu ana mātou ki te whakataurite i te whakatutukitanga arumoni ki ngā hua whānui mō te rohe. Ko te mahi a Far North Holdings he waihanga wāriu toitū mō FNDC, he whai wāhi ki te oranga me te tōnuitanga o ngā hapori o Te Tai Tokerau, me te whai i ngā mahinga whare nunui, te arumoni me te whakatutuki kaupapa ā-rohe, e hāngai tahi ana te tūraru, te hua me ngā tūmanako o te ngā kaipupuri hea.

Ngā Tāngata me ngā Hononga

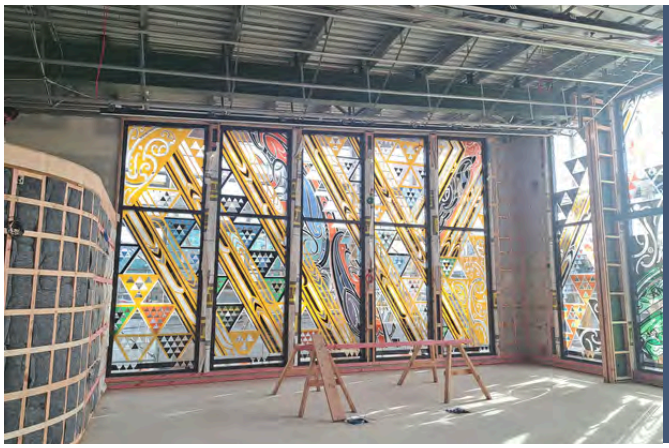
Ko te hainatanga o tētahi Whakaaetanga Hononga ki a Ngāti Rangi ki Ngawha mō te Ngawha Innovation & Enterprise Park tētahi atu tohu whakahirahira, e whakaatu ana i te kaha o tēnei hononga kua roa e tū ana me te ū ngātahi ki te anamata o te Park rā.

E hari ana hoki mātou ki te pōwhiri i a Tony Sewell ki te Poari o Far North Holdings i tēnei tau. Ka nui nei anō ngā wheako whai tikanga o Tony ki te mana whakahaere, te ao arumoni me te whakawhanaketanga, ā, e tautoko katoa ana ēnei i ngā mahi a te Rōpū i a mātou e whakahaere ana i ngā tūraru tuku, ngā arawātea mahi ngātahi me ngā hua mō te hapori ā haere ake nei.

Ka nui nei anō ā mātou mihi ki ō mātou kaiwhakahaere, kaimahi, hoa mahi, kairīhi, kiritaki me ngā kaipupuri hea mō tō rātou tautoko tonutanga. Ko ngā mahi i tutuki i te FY26 e whakaatu ana i te ū o ō mātou tāngata me te kaha o ngā hononga e pou here ana i ngā mahi a Far North Holdings puta noa i Te Hiku o te Ika.

Sarah Petersen
Heamana

Andy Nock
Tumu Whakarae



Far North Holdings is proud to be leading, on behalf of Far North District Council, the delivery of Kaikohe's new Library and Civic Hub, a transformative community facility designed to bring people together through learning, creativity and connection.

Scheduled to open in November 2026, the Hub will provide modern library services alongside community spaces, meeting rooms and innovative facilities that support lifelong learning and engagement.

Photo left: Window artwork installed within the new Kaikohe Library and Civic Hub.

FY26 AT A GLANCE
HE TIROHANGA KI TE TAU PŪTEA 2026

Dividends Paid



$5.0 million
FY25: $5.5 million

New Community Housing Homes



28 In Progress
FY25: 59 Completed

Cruise Ships



42 Ships
84,000 Passengers
FY25: 70 Ships
FY25: 126,000 Passengers

SOI Operating Profit



$3.2 million
FY25: $3.3 million

Passenger Numbers



124,000 Bay of Islands
FY25: 128,000 Bay of Islands

Total Assets



$215.0 million
FY25: $214.9 million

FNDC Rates Paid



$0.5 million
FY25: $0.5 million

Giving Back to Our Community



$109,000
FY25: $130,000

Gender Diversity



21 Women | Wāhine
FY25: 20

40 Men | Tāne
FY25: 45

International Yacht Arrivals



310
FY25: 418

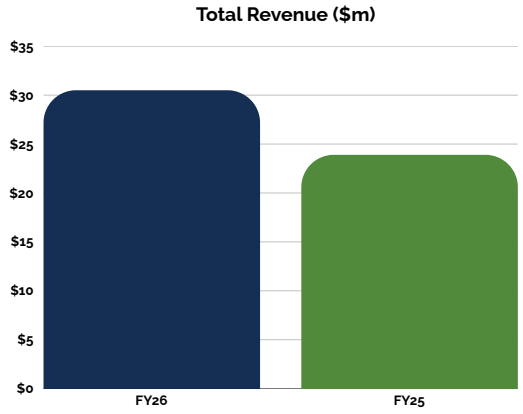
FINANCIAL OVERVIEW

TE TIROHANGA AHUMONI

Far North Holdings Limited delivered a strong financial result for the year ended 30 June 2026, supported by increased revenue across the Group's commercial, marina, property and service activities. The result reflects continued demand for the Group's assets and services, alongside the impact of property valuation movements and ongoing investment in assets that support economic, commercial and community outcomes across the Far North.

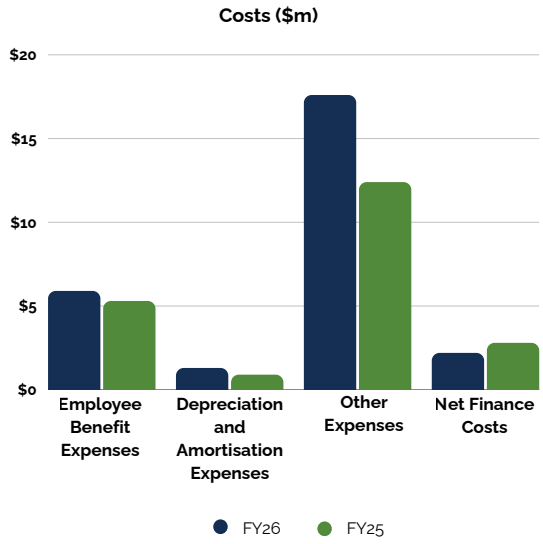
Income Statement

Revenue



The Group generates revenue from a diverse range of activities, including property rentals, marina berth rentals and fees, boatyard services, airport operations, and property development. Development-related revenue can fluctuate from year to year, depending on the scale, timing and nature of projects undertaken, and whether assets are developed for sale or retained for long-term ownership. The increase in revenue in FY26 was primarily driven by higher levels of development activity compared with FY25.

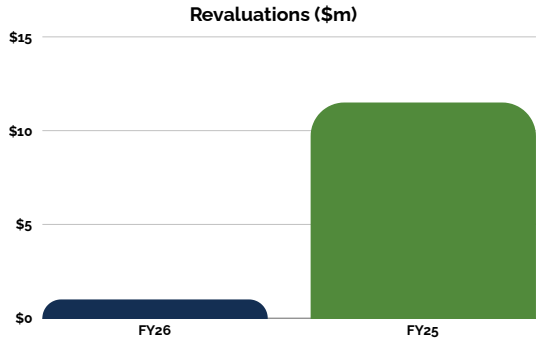
Costs



Operating costs increased during FY26, largely reflecting the higher level of revenue-generating development activity undertaken during the year. During FY26, the fuel business transitioned from an inventory ownership model to a commission-based arrangement. While this reduced both revenue and associated costs, it had no material impact on profitability.

The year also represented the first full year of borrowing through the Local Government Funding Agency (LGFA), providing access to lower-cost funding and contributing to reduced finance costs compared with FY25.

Revaluations

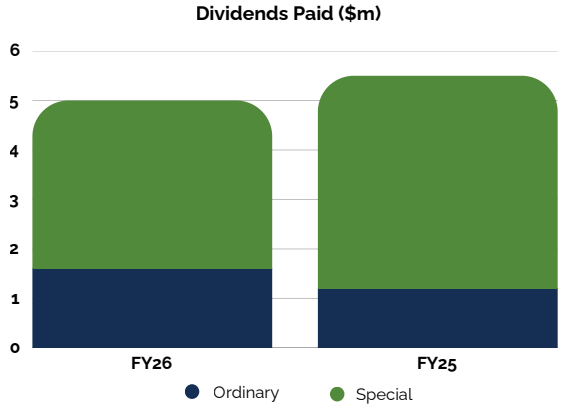


As a property-focused group, the valuation of assets can have a significant impact on reported financial results and may fluctuate from year to year due to market conditions, construction activity, asset classifications and independent valuation assessments. Revaluation movements recorded in FY26 primarily related to properties held throughout the year and did not result in any significant changes to overall asset values.

Dividends

Dividends paid during the year of $5 million were made up of a $1.6 million ordinary dividend attributable to the operating profit generated for the year ended 30 June 2025 and a special dividend of $3.4 million.

The special dividend was delivered through realised gains from the sale of properties that no longer aligned with the company's long-term objectives for its asset portfolio, together with development gains achieved across the business in recent years.

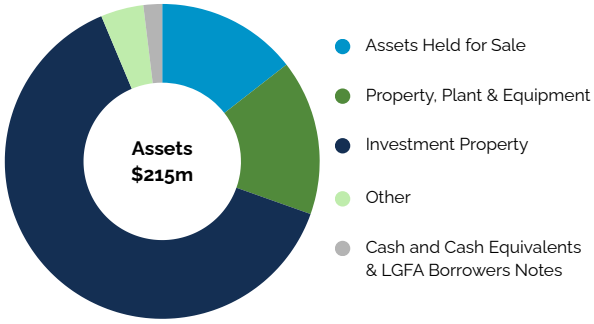


FINANCIAL OVERVIEW
TE TIROHANGA AHUMONI

Financial Position

The Group maintained a strong financial position at 30 June 2026, with total assets of approximately $215.0 million and total equity of $103.8 million. The equity-to-assets ratio was 48.3%, remaining above the Statement of Intent minimum target of 45%. The statement of financial position continues to reflect the Group's significant property portfolio, prudent debt management and capacity to support future investment opportunities.

Assets

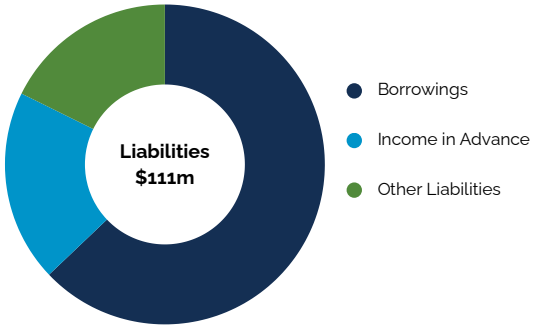


Investment property remains the Group's largest asset category at approximately $138.1 million and reflects the long-term nature of the Group's commercial property holdings.

Assets classified as held for sale represent assets identified for disposal as part of the Group's ongoing strategy of recycling capital from mature assets into new investment opportunities.

LGFA borrower notes held by the Group are interest-bearing investments required under the terms of long-term LGFA borrowing arrangements.

Liabilities



Income received in advance primarily relates to long-term marina berth licences, where cash is received upfront and recognised as revenue over the licence term.

Borrowings are provided through the Local Government Funding Agency (LGFA) and support the Group's investment activities. Although certain facilities are classified as current due to rollover dates, the borrowing programme is managed on an ongoing basis and remains well within covenant requirements.

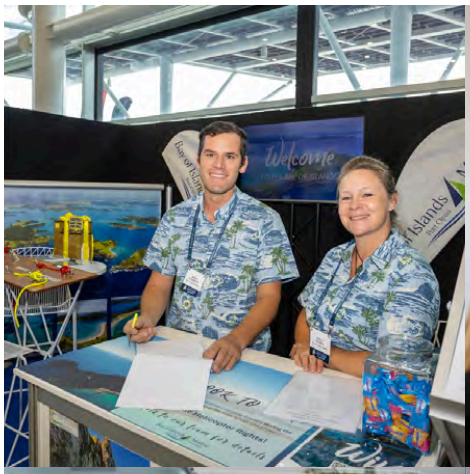
Asset Returns

Far North Holdings holds a mixed portfolio of commercial assets, regionally strategic assets and assets that support regional economic development and growth. Returns from assets held for strategic or regional economic development purposes are generally expected to be lower than typical commercial benchmarks, reflecting their broader contribution and long-term benefits to the Far North.

Far North Holdings measures returns on assets at an earnings before interest and tax (EBIT) level, after allocating Group overhead across asset classes. Returns are primarily assessed against the asset valuations recorded in the Group statement of financial position. These valuations are typically higher than the original cost of the assets, reflecting market movements and the quality of the underlying portfolio.

Assets and Returns












OUR PEOPLE
Ā MĀTOU TĀNGATA

Our people are our greatest strength. This section shares the stories, achievements and initiatives that support a thriving workplace and celebrate the diverse individuals who contribute to our success every day.










OUR PEOPLE
Ā MĀTOU TĀNGATA

Celebrating Long Service

Jane Wubben



Jane joined the Marina team in February 2000, just weeks before it officially opened, initially designing its first website and helping establish the office. One of only two employees at the time, she has played a key role in the Marina's growth and success over the past 26 years.

Having witnessed the transformation of the area from a largely undeveloped site into a thriving destination, Jane has seen the Marina become a hub for visitors, sailing events, fishing tournaments and international boating traffic. She is particularly proud of helping champion the development of Opua Marina Stage 2 and of contributing to the Marina's ongoing evolution.

"You are always learning new things. Your brain is never idle, and that's what I love about the job."

What has kept Jane motivated throughout her career is the variety, challenge and constant opportunity to learn. Whether helping customers solve problems or navigating the unexpected situations that arise in a busy marina environment, no two days are ever the same. For Jane, being part of the Marina's journey and serving a diverse range of people has made every year rewarding.

Chad Holmes



Chad Holmes began his career as a marine tradesman with Opua Marine Painters, a long-standing tenant operating within the Bay of Islands Boatyard. Specialising in boat sanding and antifouling, he developed strong technical skills and a passion for the marine industry.

As the Boatyard evolved under Far North Holdings ownership, Chad continued to build on his expertise, eventually becoming a Marine Spray Painter and a valued member of the team when Opua Marine Painters became part of the organisation.

Over the years, Chad has built extensive industry knowledge while contributing to the success of the Bay of Islands Boatyard and witnessing the growth of both the business and the wider Opua community.

One of Chad's career highlights was being involved in Team New Zealand's America's Cup campaign during his time with Opua Marine Painters, helping prepare and paint the yacht alongside the Boatyard crew.

"What makes this place special is the team. When everyone works together and supports one another, we're like whānau."

For Chad, it's the people and the strong sense of teamwork that have made his career so rewarding, and he remains committed to delivering quality workmanship while supporting those around him.

Leading Safety in Aviation

Hanna Munro



Hanna has built a diverse career in the aviation industry, combining a passion for aviation with a commitment to operational excellence. She plays a key role in supporting the day-to-day management of airport operations while helping ensure the airport remains safe, compliant and efficient.

Her aviation background extends beyond the workplace, having earned her Private Pilot Licence and maintained a long-standing interest in flying.

A significant milestone in Hanna's career was becoming the airport's Safety Manager. Achieving this responsibility required a rigorous interview process with the Civil Aviation Authority (CAA), demonstrating her knowledge, capability and understanding of aviation safety requirements. Taking on the role marked an important step in her professional journey and reflects the expertise and dedication she brings to the organisation.

"Aviation has always been a passion of mine, and I am proud to play a role in helping keep our airport safe and successful."

As a woman working in the aviation industry, Hanna is proud to contribute to a sector where diverse perspectives and strong leadership continue to shape the future of aviation. Through her work in airport administration and safety management, she helps create an environment where aviation can operate safely, efficiently and effectively for the benefit of the wider community.

From Project Cadet to Project Manager

Hori Tane



When Hori Tane joined Far North Holdings as a Project Cadet in January 2023, fresh out of Bay of Islands College, he saw an opportunity to build a career while contributing to the communities he cares deeply about. Encouraged to apply by his P.E. teacher, Hori was drawn to the chance to stay in Northland and make a meaningful difference close to home.

Since joining the organisation, Hori has embraced every opportunity to learn and grow. Early involvement in the Ngawha Innovation & Enterprise Park project provided valuable exposure to project management and helped him build the administration, relationship management and organisational skills needed to succeed.

"The skills I've developed, the relationships I've built, and the opportunities I've been given have made my journey incredibly fulfilling."

Today, Hori is managing the Kaikohe Library and Civic Hub project, a milestone that reflects both his hard work and the investment made in his development. Having been involved from the early design stages through to construction, he is proud to be helping deliver a project that will serve the Kaikohe community for years to come.

Looking back, Hori is most proud of the personal and professional growth he has achieved and remains excited about creating opportunities and delivering projects that benefit Northland communities.

OUR PEOPLE
Ā MĀTOU TĀNGATA

Listening to Our People: Great Place to Work

This year, we undertook our first Great Place to Work employee survey, providing our people with an opportunity to share honest feedback about their experience working at Far North Holdings. The survey marked an important milestone in our commitment to creating a workplace culture where our employees feel valued, supported, and able to thrive.

The results were overwhelmingly positive, with a high percentage of employees indicating that our organisation is a great place to work. As a result, we achieved Great Place to Work Certification, an internationally recognised benchmark of workplace culture and employee experience.

The survey provided valuable insights into what we are doing well and highlighted opportunities for continuous improvement. Importantly, this was not a one-off initiative. The Great Place to Work survey will now become an annual exercise, ensuring we regularly listen to our people, track our progress, and continue building a workplace where everyone can succeed.

Achieving certification is a reflection of the positive culture our employees help create every day, and we thank our team for their engagement, honesty, and commitment throughout the process.

Supporting Wellbeing Every Day

Supporting the wellbeing of our people remains a key priority, and this year we took an important step forward with the introduction of My Everyday Wellbeing for all employees.

The digital wellbeing platform provides access to a wide range of tools, resources, and support designed to help employees maintain and improve their overall wellbeing. Recognising that wellbeing extends beyond the individual, each employee also receives licences for two family members, enabling whānau to benefit from the programme as well.



The platform supports multiple aspects of wellbeing, including mental, physical, financial, and social health, helping employees and their families access practical resources whenever and wherever they need them.

By investing in proactive wellbeing initiatives, we are building a healthier, more resilient workforce and reinforcing our commitment to ensuring our people feel supported both at work and at home. The introduction of My Everyday Wellbeing is an important part of our ongoing focus on creating a workplace where people can perform at their best while maintaining balance and wellbeing in their daily lives.

Supporting our people, strengthening our future

Bringing Our People and Whānau Together

In May, we welcomed employees and their families from across the organisation to a special Whānau Day at Bay of Islands Airport. The event was designed to bring our people together, strengthen connections across teams, and provide an opportunity for families to learn more about the work we do.

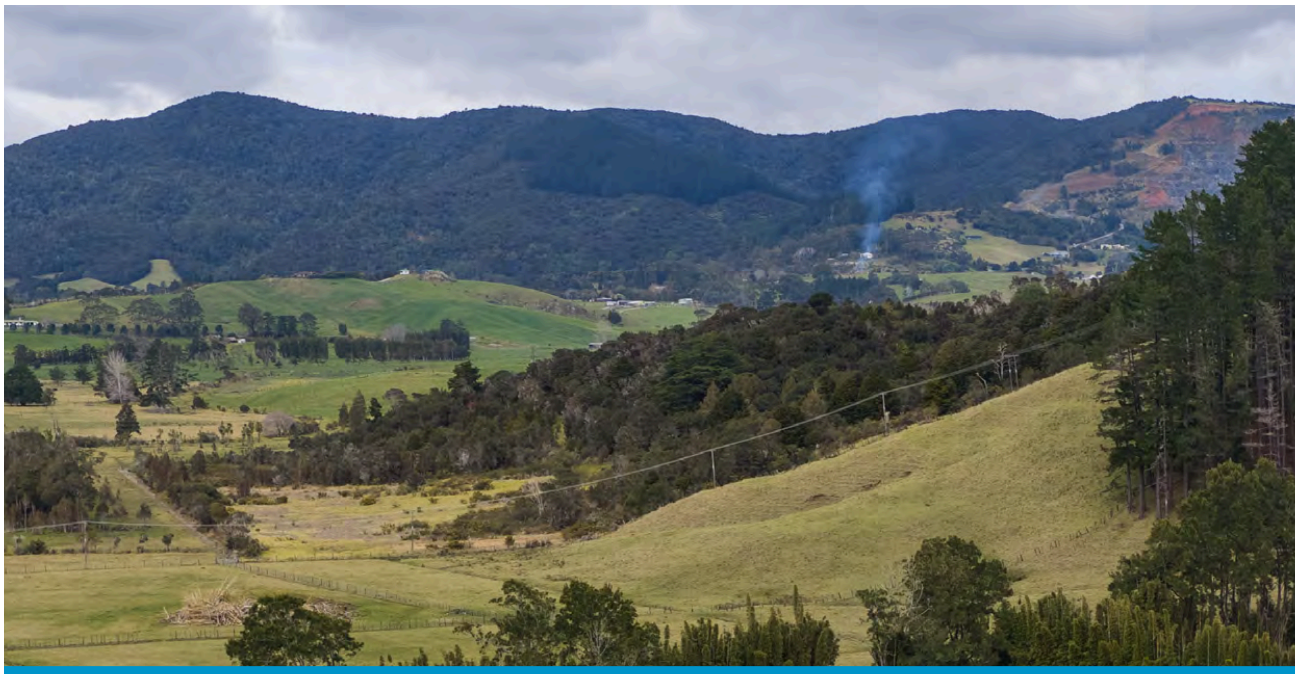
The day offered something for everyone, with games, face painting and barbecue refreshments, while rides in the airport fire trucks were a highlight for guests young and old. Attendees also enjoyed learning more about the airport, including behind-the-scenes insights into its operations and the important role it plays in connecting our communities.

Whānau Day was more than just a family event; it was an opportunity to celebrate our people and recognise the support that families provide behind the scenes. By opening our workplace to whānau, we strengthened connections, built new relationships across the organisation, and created a shared sense of pride in what we achieve together.

The success of the day highlighted the value of fostering a connected and inclusive culture, where employees and their families feel part of the wider organisational whānau.



Image Right: Bubbles, Fire Trucks & Family Fun at our Bay of Islands Airport Whānau Day



DELIVERING FOR OUR COMMUNITY

NGĀ MAHINGA MŌ TE HAPORI

Our commitment to the Far North is reflected in the projects, partnerships and initiatives that support thriving communities. This section highlights some of the ways we are creating positive outcomes for the people, places and communities we serve.



DELIVERING FOR OUR COMMUNITY
NGĀ MAHINGA MŌ TE HAPORI

Record-Breaking Cruise Visit Delivers Boost for the Far North



A record-breaking day for cruise tourism in the Bay of Islands highlighted the region's growing appeal as a premier destination for international visitors. During the visit of Discovery Princess in February 2026, a new New Zealand record was set for shore excursions managed by IDNZ, surpassing the previous national benchmark and reinforcing the Bay of Islands' reputation as a leading cruise port.

The achievement reflected the collective efforts of Far North Holdings, tourism operators, transport providers, ships' agents and support crews, who worked together to deliver a seamless visitor experience both on the water and ashore. Shore excursions provide an important connection between cruise passengers and local businesses, culture and attractions, generating significant economic benefits for the Far North while showcasing the region to thousands of international visitors. Far North Holdings' purpose-built tender facility at Waitangi continues to play a critical role in supporting safe, efficient and high-quality cruise operations that contribute to regional prosperity.

Major Milestone Reached in Kaitaia Airport Upgrade

A major milestone was achieved in the $5.4 million Kaitaia Airport Upgrade and Resilience Programme with the successful resealing of the main runway and apron. Delivered by Far North Holdings on behalf of Far North District Council, the project is designed to strengthen the airport's long-term safety, reliability and operational performance, ensuring critical services such as Air Ambulance operations, visiting medical services and Barrier Air flights can continue to support communities across Te Hiku and the wider Far North for years to come.

The runway reseal was completed during a carefully coordinated 10-day airport closure, allowing contractors to safely undertake the large-scale works while minimising disruption to airport users. Alongside the reseal, further upgrades are progressing across the site, including new security fencing, terminal and fuel facility improvements and runway lighting enhancements. Wherever possible, local contractors have been engaged throughout the programme, supporting regional employment while helping future-proof this critical infrastructure and position the airport to serve the Far North for the next 10 to 15 years.



Swordfish Club Brings New Energy to Opua



The Bay of Islands Swordfish Club officially opened its new waterfront clubrooms at Bay of Islands Marina, creating a vibrant new hub for the Opua community, boaties and visitors. Strongly supported by volunteers, donors and community leaders, the project has transformed a long-held vision into a welcoming space that celebrates the region's deep connection to the water while enhancing the marina precinct as a destination for locals and travellers alike.

Since opening, the club has quickly established itself as a thriving centre for community activity, hosting fishing tournaments, social events and special occasions in a unique harbourfront setting. With strong support from members and visitors, and plans already underway to expand its outdoor event space, the club is contributing to increased visitation and community connection while strengthening Opua's reputation as a premier boating destination in New Zealand.

DELIVERING FOR OUR COMMUNITY
NGĀ MAHINGA MŌ TE HAPORI

Building Homes, Strengthening Communities in Kaitaia



Construction got underway on a new community housing development in Kaitaia that will provide 28 one-bedroom homes designed to support independent living for Te Hiku residents aged over 50. Delivered through a partnership between Far North Holdings, the Claud Switzer Memorial Trust, and the Ministry for Cities, Environment, Regions and Transport, the project will provide safe, accessible and well-designed homes for up to 56 community members, with completion scheduled for November 2026.

The development has been designed to promote wellbeing, connection and independence, with 12 homes incorporating enhanced accessibility features. Landscaped gardens, shared community spaces and recycling facilities will further support a vibrant and connected living environment.

Building the Future Together at Ngawha

Ngāti Rangi ki Ngawha and Far North Holdings formalised a long-standing partnership in November 2025 through the signing of a Relationship Agreement for Ngawha Innovation & Enterprise Park. The agreement acknowledges Ngāti Rangi ki Ngawha as mana whenua and reflects a shared commitment to the ongoing success of the Park and the prosperity of Te Tai Tokerau.

The signing marked an important milestone in a kaupapa five years in the making, strengthening collaboration between Far North Holdings and Ngāti Rangi ki Ngawha. Together, the partners are committed to supporting sustainable economic growth, employment opportunities, innovation, and environmental stewardship as the Park continues to develop as a hub for regional enterprise and future-focused industries.



Working Together for Emergency Preparedness



In December, Bay of Islands Airport conducted its biannual emergency exercise, testing the airport's preparedness and response to an aircraft emergency. Using an aircraft provided by Merlin Labs, the Airport Fire Rescue team carried out the initial emergency response before working alongside Fire and Emergency New Zealand, Hato Hone St John, and New Zealand Police to manage the simulated incident.

The exercise provided a valuable training and learning opportunity for all agencies involved, strengthening coordination and response capabilities across the wider emergency services network. Regular exercises such as this help ensure the airport and its emergency response partners remain well prepared to respond effectively should a real emergency occur.

Giving Back to the Community at Christmas

In December 2025, Far North Holdings' annual Christmas Toy Drive brought together staff, tenants, and visitors, with toy donations collected across all Far North Holdings sites. The generous response helped create a meaningful contribution to families in need during the festive season and highlighted the strong sense of community across our region.

All donated toys were gifted to Bald Angels, supporting their work to bring Christmas cheer to local whānau in Te Tai Tokerau. The success of the initiative reflects Far North Holdings' commitment to supporting community wellbeing and demonstrates the positive impact that can be achieved through collective generosity.



GOVERNANCE & LEADERSHIP
TE MANA WHAKAHAERE ME TE HAUTŪTANGA

Far North Holdings Independent Directors



Sarah Petersen
Chair

Sarah Petersen is a Fellow Chartered Accountant and experienced director from Te Tai Tokerau, bringing deep regional insight and expertise in investment, risk management, and economic development to her governance roles across multiple sectors.

Additional Far North Holdings Group Positions Held:
- Far North Housing Ltd - Chair
- Northern Housing Ltd - Chair
- Bay of Islands Marina Ltd - Chair
- Audit & Risk Committee - Member
- Remuneration Committee - Member



Kevin Drinkwater
Director

Kevin Drinkwater is a Northlander and Chartered Accountant who spent many years leading finance and operations functions at Mainfreight, both in New Zealand and internationally. Since retiring, he has brought his deep expertise in global business, technology, and finance to several governance roles, serving on multiple boards.

Additional Far North Holdings Group Positions Held:
- Bay of Islands Marina Ltd - Director
- Audit & Risk Committee - Member
- Remuneration Committee - Member



Nicole Anderson
Deputy Chair

Nicole Anderson is a Chartered Professional Director from Te Tai Tokerau. She brings expertise in strategic finance and economic development to her governance roles across crown entities, energy and Māori economic development sectors.

Additional Far North Holdings Group Positions Held:
- Audit & Risk Committee - Chair
- Remuneration Committee - Member



Tony Sewell
Director
(appointed 1 October 2025)

Tony Sewell joined the Far North Holdings Board in October 2025, bringing over 50 years' experience in property and construction, including leadership of Ngāi Tahu Property and advisory work through his own consultancy.

Additional Far North Holdings Group Positions Held:
- Far North Housing Ltd - Director (from 1 April 2026)
- Northern Housing Ltd - Director (from 1 April 2026)



Jane Frances
Director

Jane Frances is an economist and business consultant with strong central government networks. Known for advancing regional development through economic, social, and environmental initiatives across Northland and Wellington.

Additional Far North Holdings Group Positions Held:
- Remuneration Committee - Chair



GOVERNANCE & LEADERSHIP
TE MANA WHAKAHAERE ME TE HAUTŪTANGA

Subsidiary Boards Directors

Bay of Islands Marina Ltd

- Sarah Petersen - Chair
- Kevin Drinkwater - Director
- Philip Wardale - Independent Director
- Paul MacDonald - Independent Director (appointed 1 July 2026)

Far North Housing Ltd

- Sarah Petersen - Chair
- William (Bill) Birnie CNZM - Independent Director
- Brian Donnelly - Independent Director
- Tony Sewell - Director (from 1 April 2026)

Northern Housing Ltd

- Sarah Petersen - Chair
- William (Bill) Birnie CNZM - Independent Director
- Brian Donnelly - Independent Director
- Tony Sewell - Director (from 1 April 2026)

Leadership Team



Andy Nock
Chief Executive Officer

Since 2011, Andy Nock has served as CEO at Far North Holdings, where he has applied his extensive expertise in property and infrastructure development to foster significant partnerships and lead innovative projects throughout Te Tai Tokerau.

Prior to this, Andy offered property development and investment consultancy services to International and New Zealand based companies, with high-profile clients such as LaSalle Investment Fund, Carrefour and Pradera. His experience includes leadership roles at Auckland International Airport Ltd and Real Property Consultants in Europe.



Lisa Parkes
Chief Financial Officer

Lisa Parkes started her role as Far North Holdings' Chief Financial Officer in 2023, where she oversees the planning, development, and execution of the financial strategy to align with the Group's strategic goals.

As a Chartered Accountant, Lisa has held key finance positions at Northpower Limited and The New Zealand Refining Company Limited.

She brings extensive experience in financial leadership, governance, and commercial performance across complex infrastructure and asset-based organisations.



Robert Binney
Chief Operating Officer

Rob Binney leads the operational management and oversight of Far North Holdings' health and safety, airport operations, and maritime business activities. Prior to joining Far North Holdings, Rob served as CEO of Kapiti Coast Airport Holdings Ltd and has built significant expertise through leadership roles with Doha and Hamad International Airports, Auckland International Airport, and a range of New Zealand businesses.



Patrick O'Reilly
Chief Property Officer

Patrick O'Reilly leads Far North Holdings' property portfolio and property strategy, drawing on more than 30 years' experience across funds management, asset and property management, valuation, and advisory.

A Fellow and former President of the Property Institute of New Zealand, Patrick received the Institute's 2024 President's Award and is a Member of the Institute of Directors.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

TE TAUĀKĪ PŪTEA MŌ TE TAU OTI ANA I TE 30 O HUNE 2026

Sound financial management underpins our ability to deliver for our communities. This section presents the FY26 audited financial statements, statement of service performance and auditor's report.

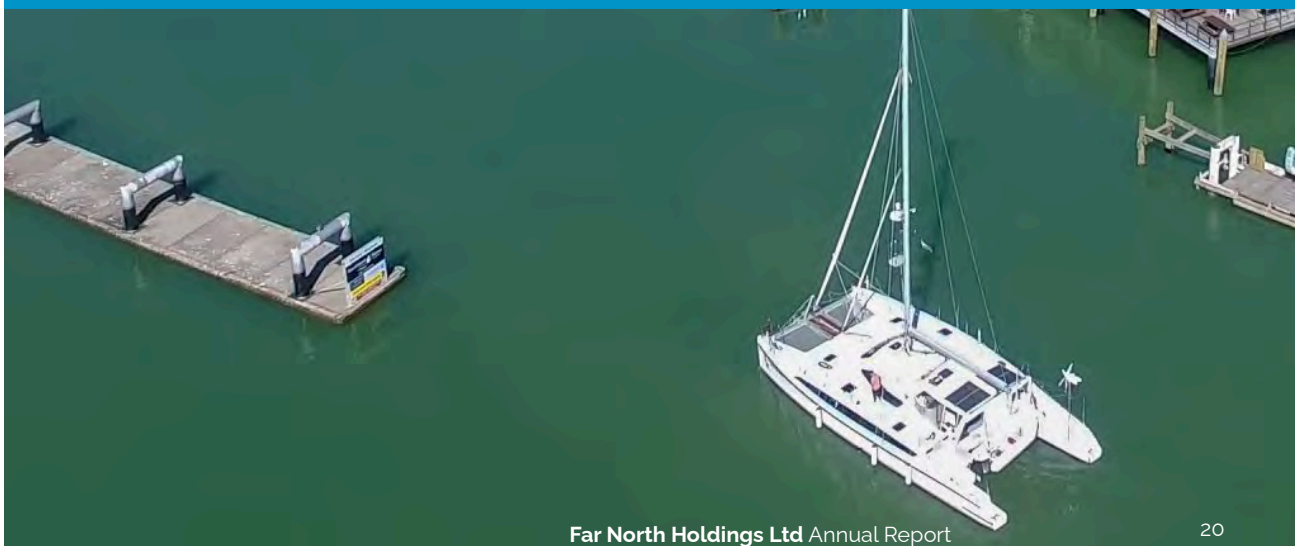


TABLE OF CONTENTS
TE RĀRANGI KAUPAPA

DIRECTORS' RESPONSIBILITY STATEMENT	22
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	23
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	24
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	25
CONSOLIDATED STATEMENT OF CASH FLOWS	27
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	28
STATEMENT OF SERVICE PERFORMANCE	46
INDEPENDENT AUDITOR'S REPORT	51



Directors' Responsibility Statement For the Year Ended 30 June 2026

The directors have pleasure in presenting to the shareholders the Annual Report and audited financial statements of Far North Holdings Limited (the "Group") for the year ended 30 June 2026.

The directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of financial statements which give a true and fair view of the financial position of the group as at 30 June 2026 and its financial performance for the year ended on that date.

The directors consider that the financial statements of the group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates, and comply with New Zealand equivalents to IFRS Accounting Standards – Reduced Disclosure Regime as appropriate for profit-orientated entities.

The directors consider that proper accounting records have been kept, which enable, with reasonable accuracy, the determination of the financial position of the group.

Approved for and on behalf of the Board of Directors:

S Petersen, FCA
Chair

30 September 2026

Date

N Anderson
Deputy Chair

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2026

	Note	2026 $000	2025 $000
Revenue from contracts with customers	1	29,351	22,617
Other income	2	1,187	1,333
		30,538	**23,950**
Employee benefit expenses	3	5,929	5,383
Depreciation and amortisation expenses	4	1,336	950
Other expenses	5	17,896	12,407
Operating profit before net finance costs		**5,377**	**5,210**
Finance income		136	141
Finance expenses		2,342	3,026
Net finance costs	6	**2,206**	**2,885**
Profit before other non-operating movements		**3,171**	**2,325**
Share of profits/(losses) of associates	7	95	523
Devaluation of assets held for sale		(1,206)	(195)
Net gains on valuation of investment property	8	2,304	11,780
Profit before income tax		**4,364**	**14,433**
Income tax credit/(expense)	9	603	(3,750)
Profit for the period		**4,967**	**10,683**
Revaluation of property, plant and equipment	10	324	983
Tax on items that will not be reclassified to profit or loss	9	(91)	(275)
Other comprehensive income for the year, net of tax		**233**	**708**
Total comprehensive income for the year		**5,200**	**11,391**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2026

	Share capital	Property revaluation reserve	Buildings & maintenance reserves	Capital reserve	Retained earnings	Total equity
		$000	$000	$000	$000	$000
Balance at 1 July 2024	18,000	12,761	665	72	66,223	97,721
Profit for the year	-	-	-	-	10,683	10,683
Revaluation of property, plant and equipment	-	708	-	-	-	708
Total comprehensive income for the year	**-**	**708**	**-**	**-**	**10,683**	**11,391**
Transfers		(261)	324		(63)	-
Transactions with owners of the company in their capacity as owners:						
Dividends paid	-	-	-	-	(5,500)	(5,500)
Total transactions with owners of the company	**-**	**-**	**-**	**-**	**(5,500)**	**(5,500)**
Balance at 30 June 2025	**18,000**	**13,208**	**989**	**72**	**71,343**	**103,612**
Balance at 1 July 2025	18,000	13,208	989	72	71,343	103,612
Profit for the year	-	-	-	-	4,967	4,967
Revaluation of property, plant and equipment	-	233	-	-	-	233
Total comprehensive income for the year	**-**	**233**	**-**	**-**	**4,967**	**5,200**
Transfers		-	(151)		151	-
Transactions with owners of the company in their capacity as owners:						
Dividends paid	-	-	-	-	(5,000)	(5,000)
Total transactions with owners of the company	**-**	**-**	**-**	**-**	**(5,000)**	**(5,000)**
Balance at 30 June 2026	**18,000**	**13,441**	**838**	**72**	**71,461**	**103,812**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 30 June 2026

	Note	2026 $000	2025 $000
Assets			
Non-current assets			
Property, plant and equipment	10	34,843	33,530
Right of Use Assets	11	257	-
Investment property	8	138,058	149,426
Other investments/loans	12	1,035	958
Intangible assets	13	105	159
LGFA Borrowers notes	20	1,316	1,316
Investments in associates	7	-	13,758
Total non-current assets		**175,614**	**199,147**
Current assets			
Inventories	14	17	8,387
Assets held for sale	15	31,580	2,334
Trade and other receivables and prepayments	16	4,148	1,251
Contract assets		766	402
Cash and cash equivalents	17	2,877	3,356
Total current assets		**39,388**	**15,730**
Total assets		**215,002**	**214,877**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 30 June 2026

	Note	2026 $000	2025 $000
Equity and Liabilities			
Equity			
Share capital	18	18,000	18,000
Reserves	19	14,351	14,269
Retained earnings		71,461	71,343
Total equity		**103,812**	**103,612**
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	20	15,789	26,316
Income in advance	21	20,770	17,665
Lease Liabilities	22	206	-
Deferred tax liability	9	9,279	9,791
Total non-current liabilities		**46,044**	**53,772**
Current liabilities			
Trade and other payables	23	9,569	6,429
Employee benefits	24	787	612
Interest-bearing loans and borrowings	20	53,976	48,750
Income in advance	21	760	1,702
Lease Liabilities	22	54	-
Total current liabilities		**65,146**	**57,493**
Total liabilities		111,190	111,265
Total equity and liabilities		**215,002**	**214,877**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	2026 $000	2025 $000
Cash flows from operating activities			
Cash receipts from customers		28,025	23,401
Cash paid to suppliers and employees		(11,875)	(19,163)
GST (paid)/received		115	(1,430)
Interest received		136	141
Income tax paid		-	(843)
Interest paid		(2,097)	(2,852)
Net cash inflow/(outflow) from operating activities		**14,304**	**(746)**
Cash flows from investing activities			
Purchase of property, plant and equipment and investment property		(7,755)	(11,228)
Loan to associate		-	(12)
Purchase of LGFA borrower notes		-	(1,316)
Purchase of share in associate		-	(49)
Proceeds from sale of property, plant and equipment, investment property and assets held for sale		2,651	4,974
Dividends received		653	-
Distributions from associates		-	709
Net cash outflow from investing activities		**(4,451)**	**(6,922)**
Cash flows from financing activities			
Interest-bearing loans and borrowings advance		-	75,066
Interest-bearing loans and borrowings repayment		(5,301)	(58,397)
Principal repaid on lease liability		(31)	-
Dividends paid		(5,000)	(5,500)
Net cash (outflow)/inflow from financing activities		**(10,332)**	**11,169**
Net (decrease)/increase in cash and cash equivalents		(479)	3,501
Cash and cash equivalents at beginning of year		3,356	(145)
Cash and cash equivalents at end of year	**17**	**2,877**	**3,356**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

MATERIAL ACCOUNTING POLICY INFORMATION

Reporting entity
Far North Holdings Limited (the "Company") is a company registered under the Companies Act 1993.

It is a Council Controlled Trading Organisation (CCTO) as defined in the Local Government Act 2002. The Company is wholly owned by the Far North District Council.

The consolidated financial statements comprise the results of Far North Holdings Limited (Far North Holdings) and its subsidiaries (together the Group) and the results of the Group's equity accounted associates.

The company owns 100% of the shares in Bay of Islands Marina Limited, Far North Housing Limited and Northern Housing Limited. Far North Holdings Limited owns 12% of Kaikohe Berryfruit Limited Partnership, and Northern Housing Limited owns 50% of 450 Kamo Road Limited Partnership and 50% of 56 Tawanui Road Limited Partnership. Northern Housing Limited's interests in Limited Partnerships have been accounted for as a share in associates using the equity method until they have been transferred to Assets Held for Sale.

The Group financial statements are for the year ended 30 June 2026 and were authorised for issue by the Directors on 30 September 2026.

Basis of preparation
The financial statements have been prepared on a going concern basis. This is supported by:

- Far North Holdings has the potential to defer capital expenditure, should it be required
- Continued support from Far North Holdings lending partners - refer note 20 for further details
- Far North Holdings is expected to be solvent and able to meet cash flow obligations whilst remaining within financing obligations and covenants.

The accounting policies have been applied consistently throughout the period.

Statement of compliance
The financial statements of the Group have been prepared in accordance with the requirements of the Local Government Act 2002, Part 5, Section 67 which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to IFRS Accounting Standards - Reduced Disclosure Regime ("NZ IFRS (RDR)").

The Group is a Tier 2 For-profit entity and has elected to report in accordance with Tier 2 For-profit Accounting Standards as issued by the New Zealand External Reporting Board (XRB). The Group is eligible to report in accordance with Tier 2 For-profit Accounting Standards on the basis that it does not have public accountability and is not a large for-profit public sector entity. In applying NZ IFRS RDR the Group has applied a number of disclosure concessions.

Functional and presentation currency
The financial statements are presented in New Zealand dollars ($) which is the Group's functional presentation currency, rounded to the nearest thousand dollars ($000).

Basis of measurement
The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Investment property;
- Land and buildings, wharves and runways; and
- Financial instruments - fair value through other comprehensive income.

Use of estimates and judgements
The Group makes certain estimates regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Property, plant and equipment useful lives and residual values
At each balance date the Group reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Group to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Group, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the Statement of Profit or Loss and Other Comprehensive Income, and carrying amount of the asset in the Statement of Financial Position. The Group minimises the risk of this estimation uncertainty by:

- Physical inspection of assets;
- Asset replacement programmes;
- Review of second-hand market prices for similar assets; and
- Analysis of prior asset sales.

The Group has not made significant changes to past assumptions concerning useful lives and residual values.

Fair value measurement
A number of assets and liabilities in the Group's financial statements require measurement at, and/or disclosure of fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy").

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

- Level 1: Quoted prices in an active market for identical items
- Level 2: Observable direct or indirect inputs other than level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item.

The Group measures a number of items at fair value - revalued property, plant and equipment, investment property, equity investments, and biological assets. For more detailed information on the fair value measurement of these items please refer to the applicable notes.

Classification of properties under construction
The Group's activities include construction of properties that are held for the long-term or are sold to earn a development profit. The recognition of these properties as investment properties or inventory requires the Group to consider the arrangement of each project and intended use of the completed property.

Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity. Financial instruments are comprised of trade and other receivables, cash and cash equivalents, debt securities, other financial assets, trade and other payables, borrowings and other financial liabilities.

Financial assets and financial liabilities are offset only when the entity has a legally enforceable right to set off the recognised amounts, and intends to settle on a net basis, or to realise the asset and liability simultaneously. The right to set off must not be contingent on a future event and must be legally enforceable in the normal course of business, and in the event of default and in the event of insolvency or bankruptcy of the entity and all of the counterparties.

The Group initially recognises financial instruments on the date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group has the following categories of financial assets:

Amortised cost
Financial assets with fixed or determinable payments that are not quoted in an active market, are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses (see further below). These comprise of cash and cash equivalents, trade and other receivables and short-term loans.

Fair value through Other Comprehensive Income
Equity investments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at fair value, with all gains and losses recognised in other comprehensive income. Changes to fair value are not subsequently recycled to profit or loss. Dividends are recognised in profit or loss. On disposal of these equity investments, any related balance within equity investment reserve is reclassified to retained earnings.

Financial liabilities
The Group initially recognises debt securities on the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies financial liabilities into the amortised cost category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Impairment
Financial assets
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost
The Group considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets
The carrying amounts of the Group's property, plant and equipment held at cost and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite life intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (Group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (Group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Goods Sold
Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when control of the goods has been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

The timing of the transfers of risks and rewards varies depending on the individual terms of the sales agreement.

(ii) Services
Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed or the proportion of costs incurred.

(iii) Commissions
When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

(iv) Rental income
Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

	2026 $000	2025 $000
Goods sold	5	2,366
Services	20,452	12,411
Commission	239	45
Rental income	8,655	7,795
Total revenue from contracts with customers	**29,351**	**22,617**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

2. OTHER INCOME

	2026 $000	2025 $000
Government grants	-	20
Dividends received	653	-
Gain on sale of investment property	520	1,275
Depreciation recovered	14	38
Total other income	**1,187**	**1,333**

3. EMPLOYEE BENEFIT EXPENSES

(i) Defined contribution plans
Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short Term employee benefits
Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

These include salaries and wages accrued up to the reporting date and annual leave earned but not yet taken at the reporting date. The Group recognises a liability and an expense for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

	2026 $000	2025 $000
Salaries and wages	5,577	5,261
Contributions to KiwiSaver	177	159
(Decrease)/increase in employee benefit liabilities	175	(37)
Total employee benefit expenses	**5,929**	**5,383**

4. DEPRECIATION AND AMORTISATION EXPENSES

For plant and equipment, depreciation is based on the cost of an asset less its residual value, and for runways, wharves and buildings is based on the revalued amount less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, are depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated. Assets under construction are not subject to depreciation.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Buildings and structures - 33 years
- Plant, fittings and office equipment - 3-20 years
- Wharves - 33 years
- Ramps and moorings - 33 years
- Motor vehicles, boat transporters – 5-15 years
- Runways, including all airport infrastructure / civil works assets - 25 years
- Leasehold improvements - 29 years

Depreciation methods, useful lives and residual values are reviewed at reporting date and adjusted if appropriate.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

4. DEPRECIATION AND AMORTISATION EXPENSES (cont.)

	2026 $000	2025 $000
Depreciation, property, plant & equipment	1,299	947
Amortisation intangible assets	3	3
Depreciation right of use assets	34	-
Total depreciation & amortisation	**1,336**	**950**

5. OTHER EXPENSES

	2026 $000	2025 $000
Audit Fees paid to Deloitte for the following:		
Audit of the financial statements	153	155
Directors fees	356	337
Donations	5	11
Inventories	225	2,210
Impairment of receivables	229	13
Loss on sale of shares	8	143
Minimum lease payments under operating leases	119	144
Direct expenses from investment property generating income	2,620	2,566
Other operating expenses	14,181	6,828
Total other expenses	**17,896**	**12,407**

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

6. NET FINANCE COSTS

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and lease liabilities.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

	2026 $000	2025 $000
Recognised in profit or loss:		
Finance Income		
Interest income on loans and receivables	136	141
Finance Expense		
Interest expenses on financial liabilities measured at amortised cost	2,335	3,026
Interest expense on lease liabilities	7	-
	2,342	3,026
Net finance costs	**2,206**	**2,885**

7. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries
Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Associates
Where the Group has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate. Associates are initially recognised in the consolidated statement of financial position at cost. Subsequently associates are accounted for using the equity method, where the Group's share of post-acquisition profits or losses and other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

Profits and losses arising on transactions between the Group and its associate are recognised only to the extent of unrelated investors' interest in the associate.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

7. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES (cont.)

	Country of incorporation and place of business	Portion of ownership held	
		2026	2025
Associate			
Kaikohe Berryfruit Limited Partnership	New Zealand	12%	12%
450 Kamo Road Limited Partnership	New Zealand	50%	50%
56 Tawanui Road Limited Partnership	New Zealand	50%	50%
Subsidiaries			
Far North Housing Limited	New Zealand	100%	100%
Bay of Islands Marina Limited	New Zealand	100%	100%
Northern Housing Limited	New Zealand	100%	100%

The Directors previously determined that the Company had significant influence over Kaikohe Berryfruit Limited Partnership, notwithstanding its 12% ownership interest, because of its representation on the Board of Directors. That directorship ceased during the year, and from that date the Directors concluded that Far North Holdings no longer had significant influence. The Group therefore ceased accounting for the investment as an associate and reclassified the shareholding as an other investment

The value of investments in other associates is now more likely to be realised through sale rather than continued ownership. Investments totalling $13.8 million have been transferred to 'assets held for sale' at 31 August 2025. An active plan is in place to dispose of these assets however, details of this have not been disclosed due to commercial sensitivities (refer note 15).

8. INVESTMENT PROPERTY

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting. When an investment property is expected to be sold the fair value is remeasured and any gain or loss recognised in profit or loss, and the fair value is transferred to property held for sale.

	2026	2025
	$000	$000
Balance at 1 July	149,426	130,306
Additions	5,868	6,544
Disposals	-	-
Transfer from/(to) assets held for sale	(18,715)	796
Transfer from/(to) property, plant & equipment	(825)	-
Change in fair value	2,304	11,780
Balance at 30 June	**138,058**	**149,426**

Investment property comprises a number of commercial properties that are leased to third parties and land held for development. Leases all have variable terms. Subsequent renewals are negotiated with the lessee.

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

8. INVESTMENT PROPERTY (cont.)

wherein the parties had each acted knowledgeably. Specialised assets are valued using a discounted cash flow approach.

In the absence of current prices in an active market, the valuations are prepared by considering the estimated rental value of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation. When actual rents differ materially from the estimated rental value, adjustments are made to reflect actual rents.

Valuations reflect, when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property.

When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

The most recent valuation was performed by Melody Richards and Talei Atwell, Registered Valuers of the firm CBRE Limited, and the valuation is effective at 30 June 2026. The prior valuation was completed 30 June 2025. Valuations are completed every year for all investment properties.

9. INCOME TAX

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

9. INCOME TAX (cont.)

a) Income tax recognised in profit or loss and other comprehensive income

	2026 $000	2025 $000
Income tax recognised in profit or loss:		
Current tax - prior period adjustment	-	843
Deferred tax expense - prior period adjustment	52	-
Deferred tax expense	(655)	2,907
Total income tax expense	**(603)**	**3,750**
Income tax recognised in other comprehensive income:	91	275
Aggregate deferred tax relating to items in other comprehensive income	91	275

b) Reconciliation of income tax expense

	2026 $000	2025 $000
Profit before income tax expense	4,364	14,433
Tax expense at 28%	1,222	4,041
Permanent differences	(1,877)	(722)
Other movements	52	431
Tax expense	**(603)**	**3,750**

c) Deferred tax

	2026 $000	2025 $000
Balance at the beginning of the year	9,791	6,609
Prior period movement	52	-
Current year movement	(564)	3,182
Deferred tax liability	**9,279**	**9,791**

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

9. INCOME TAX (cont.)

Deferred tax (assets)/liabilities are attributable to the following:

	2026 $000	2025 $000
Property, plant and equipment other	594	723
Property, plant and equipment buildings	2,277	2,233
Investment property and properties intended for sale	6,745	7,191
Employee benefits	(110)	(86)
Tax losses	(70)	(199)
Other items	(157)	(71)
Deferred tax liability	**9,279**	**9,791**

d) Movement in deferred tax income tax assets and liabilities

	Balance at 30 June 2024 $000	Recognised in profit or loss $000	Recognised in other comprehensive income $000	Balance at 30 June 2025 $000	Recognised in profit or loss $000	Recognised in other comprehensive income $000	Balance at 30 June 2026 $000
Property, plant and equipment other	602	121	-	723	(129)	-	594
Property, plant and equipment buildings	1,695	263	275	2,233	(47)	91	2,277
Investment property and properties intended for sale	4,479	2,712	-	7,191	(446)	-	6,745
Employee benefits	(106)	20	-	(86)	(24)	-	(110)
Tax losses	-	(199)	-	(199)	129	-	(70)
Other items	(61)	(10)	-	(71)	(86)	-	(157)
Total deferred tax liability	**6,609**	**2,907**	**275**	**9,791**	**(603)**	**91**	**9,279**

10. PROPERTY, PLANT AND EQUIPMENT

(i) Recognition and measurement

Land, runways, wharves and buildings are measured at fair value, less accumulated depreciation (except for land) and accumulated impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All other property plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any revaluation surplus arising on the revaluation of an asset is credited to other comprehensive income and shown in the asset revaluation reserve in the Statement of Financial Position. A revaluation deficit in excess of the asset revaluation reserve balance for an asset is recognised in the profit or loss in the period it arises. Revaluation surpluses which reverse previous revaluation deficits recognised in the profit or loss are recognised in the profit or loss.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. Any revaluation surplus on disposal of an item of property, plant and equipment is recognised in retained earnings.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

10. PROPERTY, PLANT AND EQUIPMENT (cont.)

income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

(iii) Subsequent expenditure
Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

The most recent valuation of land, buildings, runways and wharves was performed by Melody Richards and Talei Atwell, Registered Valuers of the firm CBRE Limited, and the valuation is effective at 30 June 2026.

Security
The Group has issued a General Security Agreement over all assets.

	Land	Buildings	Runways	Wharves	Ramps & moorings	Plant, fittings and office furniture	Motor vehicles, boat transporters	L'hold impr'ments	Work in progress	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Cost or Valuation										
Balance at 1 July 2025	10,507	13,452	3,282	2,458	142	4,091	3,572	164	214	37,882
Additions	-	624	90	-	-	565	348	-	462	2,089
Disposals	-	-	-	-	-	(1)	(88)	-	(537)	(626)
Transfer to/from investment property	405	420	-	-	-	-	-	-	-	825
Revaluations	650	(598)	(142)	(207)	-	-	-	-	-	(297)
Balance at 30 June 2026	**11,562**	**13,898**	**3,230**	**2,251**	**142**	**4,655**	**3,832**	**164**	**139**	**39,873**
Accumulated depreciation and impairment										
Balance at 1 July 2025	-	-	-	-	37	3,061	1,198	56	-	4,352
Depreciation	-	419	133	69	5	381	286	6	-	1,299
Elimination on revaluation	-	(419)	(133)	(69)	-	-	-	-	-	(621)
Balance at 30 June 2026	**-**	**-**	**-**	**-**	**42**	**3,442**	**1,484**	**62**	**-**	**5,030**
Net book value										
At 30 June 2025	10,507	13,452	3,282	2,458	105	1,030	2,374	108	214	33,530
At 30 June 2026	**11,562**	**13,898**	**3,230**	**2,251**	**100**	**1,213**	**2,348**	**102**	**139**	**34,843**

The fair value of land and buildings is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Group, and to market-based yields for comparable properties. The fair value of runways and wharves is determined using depreciated replacement cost.

11. RIGHT OF USE ASSETS

	2026	2025
	$000	$000
Balance at 1 July	-	-
Additions	291	-
Amortisation	(34)	-
Balance at 30 June	**257**	**-**

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

12. OTHER INVESTMENTS/LOANS

	2026 $000	2025 $000
Loan Manea	665	665
Loan to Associate	293	293
Shares	77	-
Total other investments	**1,035**	**958**

The fair value of quoted securities is based on published market prices.

13. INTANGIBLE ASSETS

(i) Goodwill
Goodwill that arises upon the acquisition of a business is presented with intangible assets.

(ii) Subsequent measurement
Goodwill is measured at cost less accumulated impairment losses.

(iii) Other intangible assets
Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iv) Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(v) Amortisation
Except for goodwill and intangible assets that have indefinite lives or are not yet available for use, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

- Computer software - 3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

	Goodwill $000	Software $000	Total $000
Cost			
Balance at 1 July 2025	301	247	548
Disposals	-	(236)	(236)
Balance at 30 June 2026	301	11	312
Accumulated amortisation and impairment			
Balance at 1 July 2025	201	188	389
Amortisation charge for the year	-	3	3
Disposals	-	(185)	(185)
Balance at 30 June 2026	201	6	207
Net book value			
At 30 June 2025	**100**	**59**	**159**
At 30 June 2026	**100**	**5**	**105**

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

14. INVENTORIES

Inventories are measured at the lower of cost and net realisable value with due allowance for any damaged and obsolete stock items. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Development property is held as inventory when there is an intention to sell the property and recognise a development margin, rather than hold the property for long term gain.

	2026 $000	2025 $000
Development property	-	8,342
Fuel	2	28
Chandlery and boatyard	15	17
Total inventories	**17**	**8,387**

Some chandlery and boatyard inventories are subject to retention of title clauses.

15. ASSETS HELD FOR SALE

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, and the sale is highly probable, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale or distribution, the Group's property, plant and equipment are no longer amortised or depreciated.

Far North Holdings has one property (2025: three) with a carrying value of $18.1 million (2025: $2.3 million) and two investments in associates with a carrying value of $13.4 million (2025: nil) held for sale. The fair value less estimated costs to sell of the property and other assets held for sale align with carrying value (2025: $3.0 million).

16. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2026 $000	2025 $000
Far North District Council	1,927	87
Trade and other receivables	1,879	823
Prepayments	342	341
Total trade and other receivables and prepayments	**4,148**	**1,251**

Impairment losses are recognised in other expenses in profit or loss – see note 5. Trade receivables generally have terms of 30 days and are interest free. Trade receivables of a short-term duration are not discounted.

Far North District Council includes receivables for project works carried out on their behalf.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

16. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (cont.)

Reconciliation of the allowance for impairment in respect of trade and other receivables:

	2026 $000	2025 $000
Balance at 1 July	101	35
Receivables written off during the year	(45)	2
Additional provisions made during the year	261	64
Balance at 30 June	**317**	**101**

The allowance accounts in respect of loans and receivables are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts are considered irrecoverable and are written off against the financial asset directly.

17. CASH AND CASH EQUIVALENTS

	2026 $000	2025 $000
Cash at bank and in hand	2,877	3,356
Total cash and cash equivalents and bank overdrafts for the purpose of the statement of cash flows	**2,877**	**3,356**

Interest rates applying to bank balances was 0.0%-1.6% (2025: 0.0%-2.5%). Bank balances are on call.

18. SHARE CAPITAL

	2026 $000	2025 $000
Ordinary shares - fully paid	7,000	7,000
Redeemable shares - fully paid	11,000	11,000
Total share capital	**18,000**	**18,000**

The holders of the convertible non-participating redeemable shares have no rights to participate in the profits or assets of the Group, other than by the discretion of the Directors, to vote at any General Meeting of the Group or to subscribe for or be offered or allotted any present or future issues of shares in the capital of the Group. Since 30 May 2004, Far North Holdings is entitled to redeem half of the convertible non-participating redeemable shares at the available subscribed capital per share.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group, and rank equally with regard to the Group's residual assets.

On 6 September 2024, the Company issued a further $150 million redeemable preference shares, at value of $1.00 each. These shares are uncalled and unpaid.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

19. RESERVES

	2026 $000	2025 $000
Balances		
Asset revaluation reserve	13,441	13,208
Buildings and maintenance reserves	838	989
Capital reserve	72	72
Total reserves	**14,351**	**14,269**
Movements		
Asset revaluation reserve		
Opening balance	13,208	12,761
Revaluation - fixed and intangible assets	324	983
Transfer to retained earnings	-	(261)
Less deferred tax	(91)	(275)
Closing balance	**13,441**	**13,208**
Buildings and maintenance reserves		
Opening balance	989	665
Transferred (to)/from retained earnings	(151)	324
Closing balance	**838**	**989**
Capital reserve		
Opening balance	72	72
Closing balance	**72**	**72**

20. INTEREST-BEARING LOANS AND BORROWINGS

	2026 $000	2025 $000
Secured loans		
Current	53,976	48,750
Non-current	15,789	26,316
Total interest-bearing loans & borrowings	**69,765**	**75,066**

The carrying value of loans approximates fair value.

All borrowings at 30 June 2026 and 30 June 2025 are held with the Local Government Funding Agency (LGFA), are secured over all assets of the Group and carry an undertaking regarding certain actions and that certain financial ratios will be maintained. All covenants have been met by the Group.

During the year, borrowing costs of $59k (2025: $460k) that were directly attributable to the construction of qualifying assets were capitalised.

The weighted average effective interest rate on interest-bearing loans and borrowings at 30 June 2026 was 3.27% (2025: 3.78%).

Borrower notes are subordinated convertible debt instruments that the Group subscribes for an amount equal to 5.0% of loan drawdowns that have an initial term of beyond 12-months. LGFA will redeem borrower notes when the Group's related borrowings are repaid or no longer owed to LGFA. At 30 June 2026 the Group had subscribed to $1,316k of borrower notes. (2025: $1,316k).

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2026

21. INCOME IN ADVANCE

Income in advance represents rental income received for future periods calculated on a straight-line basis over the term of the licence. Marina berths licence income is spread to 2033, or 2049 if an extension has been granted.

	2026 $000	2025 $000
Non-current portion		
Income received in advance - long term	20,770	17,665
Total non-current portion	**20,770**	**17,665**
Current portion		
Income received in advance - current	12	1,101
Marina Stage 2 berth sales	748	601
Total current portion	**760**	**1,702**
Total income in advance	**21,530**	**19,367**

Income in advance relates to marina berth licences income which has been spread over the period of the licences.

22. LEASE LIABILITIES

	2026 $000	2025 $000
Land		
Balance at 1 July	-	-
Additions	291	-
Payments	(38)	-
Interest on lease liabilities	7	-
Balance at 30 June	**260**	**-**
Current portion	54	-
Non-current portion	206	-

23. TRADE AND OTHER PAYABLES

	2026 $000	2025 $000
Far North District Council	3,097	765
Trade and other payables	6,472	5,664
Total trade and other payables	**9,569**	**6,429**

Trade payables generally have terms of 30 days and are interest free. Trade payable of a short-term duration are not discounted.

24. EMPLOYEE BENEFITS

	2026 $000	2025 $000
Salaries payable	400	310
Liability for annual leave - current	387	302
Total employee benefits	**787**	**612**

25. RELATED PARTIES

Identity of related parties
The Group has a related party relationship with its key management personnel being the executive officers, and the Directors.

The Group also has a related party relationship with its parent Far North District Council and its equity accounted associates (disclosed in note 7).

Total key management personnel being the Chief Executive and General Management compensation for the year ended 30 June 2026 was $1,265,878 (2025: $1,254,891). Directors fees for the year were $355,291 (2025: $337,487).

Transactions with related parties
Transactions with related parties are to be settled in cash. None of these balances are secured. There have been no impairments of related party balances during the year (2025: nil) and there have been no write-offs of related party balances during the year (2025: nil).

Mr K Drinkwater is a director of Far North Holdings Limited and Bay of Islands Marina Limited, he is a berth holder at Bay of Islands Marina and used the marina and boatyard facilities to the value of $9,540 (2025: $8,917).

Mr R Palmer was appointed as a director of Far North Holdings Limited for the period 1 August 2025 to 1 October 2025 to fill a temporary vacancy. During Mr R Palmer's term as a director of Far North Holdings Limited, Palmer Macauley Limited, a company in which Mr R Palmer is a director and shareholder, was paid $6,731 for legal services. These services were made on normal commercial terms and at market rates.

Inter-group transactions and balances

	2026 $000	2025 $000
Receivables from Far North District Council (excluding agency transactions)	189	87
Sales to Far North District Council	1,234	971
Purchases from Far North District Council	568	482
Payables to Far North District Council (excluding agency transactions)	491	1
Sales to Associates	47	47
Loan to Associate	-	293

During the year FNHL also carried out capital works on behalf of Far North District Council to the value of $10,855k (2025 $3,176k).

26. OPERATING LEASES

	2026 $000	2025 $000
Non-cancellable operating leases as lessor:		
Not later than one year old	5,074	3,820
Later than one and not later than five	12,703	8,590
Later than five years	32,047	9,939
Total Non-cancellable operating leases	**49,824**	**22,349**

27. COMMITMENTS

During the year Far North Holdings entered into new contracts worth $24.7 million for the construction and improvements for property and marina assets (2025: $1.7 million). At 30 June 2026 $6.9 million (2025: $0.4 million) remained to be paid on contracts.

28. EVENTS OCCURRING AFTER THE REPORTING DATE

There are no other significant events occurring after balance date that require disclosure in these financial statements.

29. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities that require disclosure in these financial statements.

30. GOVERNMENT GRANTS RECEIVED

Government Grants received for assets have been deducted in arriving at the carrying amount of the assets. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as deferred income.

When the criteria for retention have been satisfied, the deferred income balance is released to the carrying amount of the asset.

No government grants were received during the current or prior year for assets.

Statement of Service Performance
For the Year Ended 30 June 2026

PERFORMANCE MEASURES
Annual performance measures are outlined in the Statement of Intent. In preparing the June 2026 Statement of Intent, the Board reviewed and refined performance measures with approval from Council. Several previously reported metrics were excluded to better reflect the Group's strategic priorities and core performance. New measures have been included to reflect key projects being managed on behalf of Council (Kaitaia Airport resilience upgrade and Kaikohe Library and Civic Hub). The updated framework ensures more focused and meaningful reporting.



FINANCIAL
Increased, sustainable commercial returns

PERFORMANCE OBJECTIVE 1
Effective financial management to deliver profitability

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Operating profit	>$2.5 million	Achieved $3.2 million	Target >$2.0 million Achieved $3.3 million	Target >$1.0 million Achieved $2.4 million	Target >$0.5 million Achieved $0.5 million
Narrative Operating profit is calculated as profit prior to movements in investment properties, share of associates and other non-operating movements and includes distributions received from associates.					

PERFORMANCE OBJECTIVE 2
Pay dividends to FNDC in line with dividend policy

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Dividend paid to FNDC	Dividend paid of $5.0 million, consisting of an ordinary dividend from operating profits and a special dividend	Achieved $5.0 million dividends paid	Achieved $5.5 million dividends paid	Achieved $1.2 million	Achieved $1.75 million
Narrative The dividend payable under the policy is 50% of the operating profit and is payable in February following the financial year end and the Group will declare and pay a dividend in accordance with the policy. Cash dividends paid during the year ended 30 June 2026 totaled $5.0 million made up of the operating dividend for the year ended 30 June 2025 and a special dividend.					

PERFORMANCE OBJECTIVE 3
Comply with LGFA financial Covenants

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Meet financial covenants	Meet covenants	Achieved	N/A new measure	N/A new measure	N/A new measure
Narrative LGFA financial covenants were met throughout the year.					

Statement of Service Performance
For the Year Ended 30 June 2026

PERFORMANCE OBJECTIVE 4
Ratio of consolidated shareholders funds to total assets

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Total equity / total assets	>45%	Achieved 48.3%	Target >50% Actual 48.2%	Target >50% Actual 50.3%	Target >50% Actual 53.2%
Narrative The capital ratio target was achieved.					



PEOPLE
Be a good employer

PERFORMANCE OBJECTIVE 1
To make safety our priority to ensure health, safety and wellbeing of all employees and contractors in the Group

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Health Safety & Wellbeing policies in place and recorded evidence that all staff have received and been briefed on the documentation	To achieve	Achieved	Put in place Health Safety & Wellbeing Objectives Achieved	Put in place Health Safety & Wellbeing Objectives Achieved	Establish key metrics and implement 6-month reporting to FNDC Achieved
Narrative Health, safety, and wellbeing (HSW) policies and procedures in place, subject to scheduled reviews, performance being monitored and measured. The Group reports quarterly to FNDC about HSW.					

PERFORMANCE OBJECTIVE 2
Comply with our living wage policy for all permanent employees

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Comply with living wage policy for all permanent employees	To achieve	Achieved	Achieved	Achieved	Achieved
Narrative All permanent employees were paid the living wage during 2025/26 as published by the Living Wage Movement Aotearoa New Zealand on 1 September each year.					

Statement of Service Performance
For the Year Ended 30 June 2026

SUSTAINABILITY
Undertake environmentally sustainable investment and management for the benefit of future generations

PERFORMANCE OBJECTIVE 1
Commit to tangible action to measure climate impact and target reductions based on best practice

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Measure carbon footprint for the Ngawha Park in line with generally accepted standards	To achieve	Achieved	Scope requirements for measuring carbon footprint across Far North Holdings and its subsidiaries Achieved	Following internal workshops carried out in 2022/23 the company will look to finalise and adopt a sustainability roadmap Not achieved	Prepare a sustainability Roadmap identifying ways to minimise climate impact Achieved
Narrative The current year measure was based on Ngawha Park to provide a staged approach to emissions measurement. The company successfully exceeded this target by measuring Scope 1 and 2 emissions across the group. The company utilised Toitū Environcare's Emanage system and is able to report emissions for sections of the business, including separate measurement for Ngawha Park.					

PERFORMANCE OBJECTIVE 2
Achieve and maintain Clean Marina certification

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Achieve and maintain Clean Marina certification	Achieved	Achieved	Achieved	Achieved	Achieved
Narrative Clean Marina certification held throughout the period.					

Statement of Service Performance
For the Year Ended 30 June 2026



COMMUNITY
Create economic & housing opportunities, benefiting the wellbeing of the community

PERFORMANCE OBJECTIVE 1
Encourage positive relationships with the community by having transparent engagement policies and monitoring key stakeholder perceptions

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Undertake a stakeholder perceptions survey	To achieve	Achieved	Achieved	Achieved	N/A new measure
Narrative The Group holds and has implemented a Significance & Engagement Policy. Curia Group was engaged in the year to carry out a stakeholder survey.					

PERFORMANCE OBJECTIVE 2
Ngawha Park developed to grow economic and employment opportunities in the Far North

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Increase the number of businesses based at the park	To achieve	Achieved	5 businesses based at the Ngawha Innovation & Enterprise Park (the Park) Achieved	5 businesses based at the Ngawha Innovation & Enterprise Park (the Park) Achieved	Open stage 1 Achieved
Narrative Businesses based at the Park continue to include Kaikohe Berries Ltd, Te Pūkenga, Regent Training, Corrections, and the Innovation Centre. There are also a number of smaller businesses working out of the shared workspace and utilising the laboratory facilities. During the year ended 30 June 2026 total businesses based at the Park increased when Turners and Growers entered the Park by entering into a 10-year lease on the 10ha of covered tunnels to grow strawberries and blueberries.					

PERFORMANCE OBJECTIVE 3
Identify opportunities to deliver social housing to meet local needs in partnership with Community Housing Providers (CHP's)

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Develop at least 50 housing units	To achieve	Not Achieved	Achieved	Achieved	Analysis of 2 social housing opportunities Achieved
Narrative 28 homes are under construction in Kaitaia, in partnership with Claud Switzer Memorial Trust. A change in central government housing policies has meant no funding has been available for any new projects however Far North Holdings have advanced Resource Consent on potential housing projects that could provide 119 new homes across the North.					

Statement of Service Performance For the Year Ended 30 June 2026

PERFORMANCE OBJECTIVE 4
Civil Aviation Authority Certification maintained for the BOI Airport

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
CAA Certification maintained	To achieve	Achieved	Achieved	Achieved	Achieved
Narrative Bay of Islands Airport continued to hold a current CAA Part 139 Aerodrome Operating Certificate through the year, thereby conforming with CAA regulatory requirements.					



SHARED PROJECTS
Deliver agreed projects

PERFORMANCE OBJECTIVE 1
Kaitaia Airport

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Provide project management services to deliver agreed remediation project within time and budget	To achieve	Achieved	N/A new measure	N/A new measure	N/A new measure
Execute a long-term management contract with FNDC prior to 30 June 2026	To achieve	Achieved	N/A new measure	N/A new measure	N/A new measure
Narrative Progress of the Kaitaia Airport resilience project is on time and on budget. A management contract has been entered into.					

PERFORMANCE OBJECTIVE 2
Kaikohe Library and Civic Hub

Measure	Target	Actual			
	2025/26	2025/26	2024/25	2023/24	2022/23
Provide project management services to deliver agreed remediation project within time and budget	To achieve	Achieved	N/A new measure	N/A new measure	N/A new measure
Narrative The Kaikohe Library and Civic Hub project is progressing as planned and on budget.					

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Far North Holdings Limited's group financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of the Far North Holdings Limited (the Group). The Auditor-General has appointed me, Bennie Greyling, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Group that comprise the Consolidated Statement of Financial Position as at 30 June 2026, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date and Notes to the Consolidated Financial Statements that include material accounting policy information and other explanatory information on pages 23 to 45; and
- the performance information that consists of the statement of service performance of the Group for the year ended 30 June 2026 on pages 46 to 50.

In our opinion:

- the financial statements of the Group present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to IFRS Accounting Standards - Reduced Disclosure Regime (NZ IFRS (RDR).
- the service performance information of the Group accurately reports, in all material respects, the Group's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Group for preparing financial statements that are fairly presented and comply with New Zealand equivalents to IFRS Accounting Standards - Reduced Disclosure Regime (NZ IFRS (RDR). The Board of Directors is also responsible for preparing the performance information contained in the statement of service performance of the Group in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information of the Group, the Board of Directors is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error.

Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Group's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Group's readers to judge the actual performance of the Group against its objectives in its statement of intent.
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information and performance information of the entities or business units within the group as a basis for forming an opinion on the group financial statements and the group

performance information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and performance information consisting of statement of performance, and our auditor's report thereon.

Our opinion on the financial statements and performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Group.



Bennie Greyling
Deloitte Limited
On behalf of the Auditor-General
Auckland, New Zealand
30 September 2026

STATUTORY INFORMATION
NGĀ TAIPITOPITO KŌRERO Ā TURE

Share Dealings
No Director acquired or disposed of any interest in shares in the Group during the year.

Loans to Directors
There were no loans to Directors authorised during the year.

Directors' Interests
Directors' interests have been updated regularly and recorded to manage perceived and potential conflicts. In accordance with good practice, individual Directors are excluded from decision-making processes where there is a perceived or potential conflict of interest.

Directors'
Directors of the Company and wholly owned subsidiaries during the year were as follows:

	Remunerated Position	Term	Directors Fees ($)
Far North Holdings Ltd			
S Petersen	Chair	Full Year Term	56,650
N Anderson	Deputy Chair Chair Audit & Risk Committee	Full Year Term	40,150
K Drinkwater	Director	Full Year Term	28,300
J Frances	Director Chair Remuneration Committee	Full Year Term	35,800
A Sewell	Director	Appointed 1 Oct 2025	21,750
Hon. M McCully	Director	Ceased 1 Aug 2025	2,183
Far North Housing Ltd			
S Petersen	Director *(until 31 July 2025)* Chair *(from 1 August 2025)*	Full Year Term	26,583
W Birnie	Director	Full Year Term	26,875
B Donnelly	Director	Full Year Term	26,875
A Sewell	Director	Appointed 1 Apr 2026	6,875
Hon. M McCully	Chair	Ceased 1 Aug 2025	2,500
Bay of Islands Marina Ltd			
S Petersen	Chair	Full Year Term	27,000
K Drinkwater	Director	Full Year Term	26,875
P Wardale	Director	Full Year Term	26,875
Northern Housing Ltd			
S Petersen	Director *(until 31 July 2025)* Chair *(from 1 August 2025)*	Full Year Term	-
W Birnie	Director	Full Year Term	-
B Donnelly	Director	Full Year Term	-
A Sewell	Director	Appointed 1 Apr 2026	-
Hon. M McCully	Chair	Ceased 1 Aug 2025	-

Rick Palmer was appointed to the Far North Holdings Ltd Board to fill a casual vacancy from 1 August 2025 to 30 September 2025.

STATUTORY INFORMATION
NGĀ TAIPITOPITO KŌRERO Ā TURE

Employees' Remuneration

Number of staff with salaries and benefits more than $100,000:

	2026	2025
$100,000 - $149,999	9	9
$150,000 - $199,999	1	2
$200,000 - $249,999	3	2
$250,000 - $299,999	2	2
$300,000 - $349,999	-	-
$350,000 - $399,999	-	-
$400,000 - $449,999	-	-
$450,000 - $499,999	-	1
$500,000 - $549,999	1	-

Indemnification and Insurance of Executive Employees and Directors

All Directors and Executive Officers of the Group have been insured against liabilities to other parties that may arise from their office.

Auditor

Deloitte New Zealand on behalf of the Auditor-General has been appointed as the Group's auditors.

STATUTORY INFORMATION
NGĀ TAIPITOPITO KŌRERO Ā TURE

Donations and Sponsorships

Cash Donations / Sponsorships	2026 ($)	2025 ($)
Autism New Zealand	-	65
Bald Angels Charity	297	-
Bay of Islands Sailing Week	3,000	3,000
Caring Families Aotearoa	-	60
Heart Kids New Zealand	-	70
Island Cruising Aotearoa Ltd	3,000	3,000
Kaitaia Lions Club	-	100
Kawakawa & Districts RSA	250	-
Koha - Blessings	1,000	500
LegaSea	500	-
Marina and Specialised Technologies Academy of New Zealand Limited	-	750
Opua Cruising Club	600	600
Police Managers Guild Trust	300	300
R Tucker Thompson Sailing Trust	30,000	30,000
Resilient Russell Charitable Trust	1,750	1,750
Rugby for Life Charitable Trust	5,500	5,500
Russell Radio	354	300
Solo Trans-Tasman Race	424	-
Brain Injured Children Trust	-	52

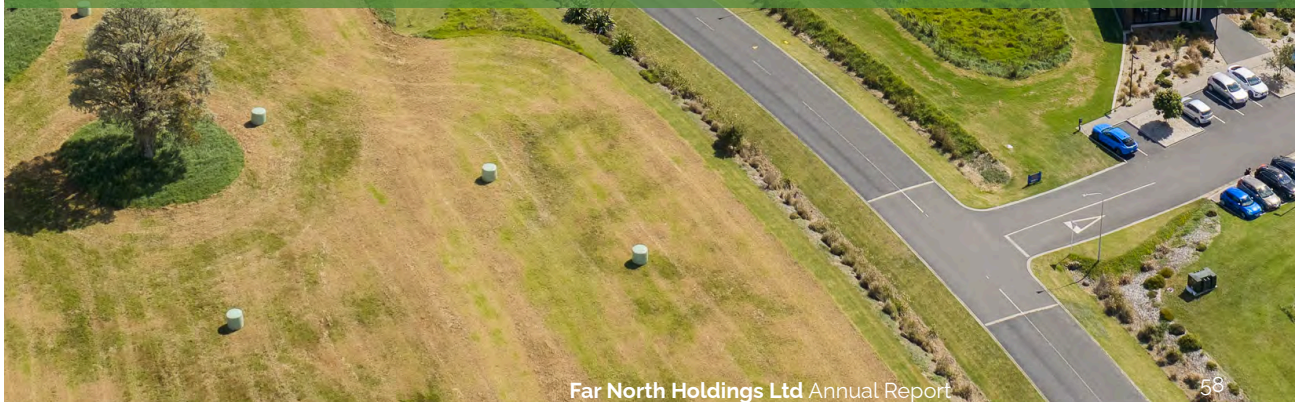
"In Kind" Donations / Sponsorships	2026 ($)	2025 ($)
BOI Marina Sponsorships	-	4,685
BOI Russell Volunteer Fire Brigade	1,382	-
BOI Sailing Week	-	522
Kaikohe Berryfruits Limited Partnership	-	21,888
Musket Cove Hobie Cat Festival	2,500	-
Sea Cleaners Charitable Trust	678	6,074
Mid-North Budgeting Services - Food Bank Vouchers	870	-
Kerikeri Hospice / Opua School / Mid-North Budgeting Services (Christmas Cookies)	172	-

The Group also pays an annual fee to Te Rūnanga-Ā-Iwi O Ngāpuhi for the use of land at Opua marina under an agreement dated 6 September 1999. The amount paid for the year ended 2026 was $56,317 (2025 $51,228) and under the terms of the agreement the funds are to be used for educational scholarships for Ngāpuhi beneficiaries.



Company Directory
Rārangi Kamupene

Nature of Business	Property and infrastructural investment, management, development, operations and services.
Registered Office	5449a State Highway 12, Kaikohe
Directors	Sarah Petersen BMS, Hons, FCA Nicole Anderson CMInstD, PGDipPH Kevin Drinkwater BCom, CA Jane Frances BMS (Hons) Tony Sewell
Independent Auditor	Deloitte
Bankers	Bank of New Zealand
Business Locations	Opua, Kerikeri, Kaitaia, Kaikohe and wider Northland area
Shareholders	Far North District Council
Share Capital	$18,000,000 paid up share capital $150,000,000 unpaid share capital



FAR NORTH HOLDINGS LIMITED







Far North Holdings Limited

5449A State Highway 12, Kaikohe

Ph: 09 402 5659

Website: www.fnhl.co.nz

7 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

7.1 HEAD START LOCAL GOVERNMENT REFORM PROGRAMME - GOVERNMENT UPDATE AND NEXT STEPS

File Number: **A5990094**

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

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

TAKE PŪRONGO / PURPOSE OF THE REPORT

To advise Council of the Government's decision to defer consideration of Head Start Outline Proposals until early 2027, note the consequent pause in substantive programme activity, and outline opportunities to retain relevant learning and consider practical operational opportunities independently of any future structural reform outcome.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

In May 2026, the Government launched the Head Start pathway as part of Simplifying Local Government, enabling councils to submit locally led proposals for local government reorganisation. The Northland Head Start Outline Proposal was submitted to Central Government on 6 August 2026 after work by participating Northland councils.

On 24 September 2026, Ministers advised mayors and chief executives that decisions on Head Start Outline Proposals would be deferred. The Government indicated that further consideration was required, particularly in relation to fair and effective representation with streamlined governance, and the transfer and delivery of regional functions. Cabinet consideration is now expected in early 2027.

In response, substantive programme activity has been paused pending further Government direction. The pause avoids committing further resources before the scope and requirements of any next phase are known, while allowing councils to retain budget flexibility, monitor developments and maintain readiness.

Simplifying local government in Northland pre-dated Head Start. The Northland Mayoral Forum, Northland Forward Together and the Elected Member Steering Group had already provided a regional basis for considering reform and collaboration. Head Start added further analysis and learning, including information that may remain useful regardless of any future amalgamation, unitary authority or other governance arrangement.

Each council is also progressing its Long Term Plan. There is an opportunity for participating councils to acknowledge Simplifying Local Government in their respective LTPs and preserve the ability to consider operational opportunities identified through Head Start. This would not commit any council to a particular structural outcome. Work is also underway to investigate whether some services could be shared, with any proposal requiring separate assessment and decision-making.

TŪTOHUNGA / RECOMMENDATION

That the Council receive the report Head Start Local Government Reform Programme - Government Update and Next Steps.

TĀHUHU KŌRERO / BACKGROUND

The Government announced the Head Start pathway in May 2026. Head Start was intended to allow councils to contribute locally developed reorganisation proposals as part of the Government's wider Simplifying Local Government programme.

Head Start Outline Proposals were due to Central Government by 9 August 2026. At that time, decisions on which proposals would progress to detailed design were expected between late September and early October 2026. The detailed design phase was expected to run from October 2026 to March 2027, with approved changes intended to be in place ahead of the 2028 local elections.

Northland councils participated in the process and submitted a regional Head Start Outline Proposal on 6 August 2026. Work then progressed in anticipation of a Government decision on whether the proposal would move to detailed design.

On 24 September 2026, the Government advised that more work was required before Cabinet could make final decisions. Ministers identified representation, streamlined governance, and the transfer and delivery of regional functions as matters requiring further development. Cabinet consideration of Head Start proposals is now expected in early 2027.

The Government has also indicated that lessons from Head Start will inform the wider process for areas that do not progress through Head Start. This reinforces the value of preserving the evidence, analysis and practical learning developed through the Northland process.

Northland's consideration of reform did not begin with Head Start. Prior to Head Start, the four councils had considered local government reform through the Northland Mayoral Forum and Northland Forward Together under a locally led "By Northland, For Northland" approach. The Elected Member Steering Group was also established through this earlier regional work to provide strategic oversight, assess options for delivering local government roles and functions, and support evidence-based recommendations to participating councils.

Northland Forward Together has provided an established forum for regional collaboration. Investigation is underway into whether some services could be shared across councils. This work is operational in nature and can be considered on its merits independently of decisions about governance, representation or council boundaries.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The revised Government timetable changes the immediate focus of the programme. With limited certainty about the scope, evidence requirements and timing of any detailed-design phase, there is limited benefit in continuing substantive programme work. The prudent approach is to pause that work, retain remaining budget flexibility, monitor Government decisions and undertake only limited readiness work that will remain useful under different outcomes.

The pause also provides an opportunity to distinguish between structural reform and practical operational opportunities. Governance, representation and political structure were the areas where views differed through Head Start. Investigation into whether some services could be shared does not necessarily depend on those matters being resolved.

All Northland councils face common pressures relating to affordability, rates, infrastructure, workforce capacity and increasing service-delivery costs. If these shared pressures and potential collective responses are not acknowledged through the current LTP processes, councils risk carrying existing duplication and cross-regional inefficiencies into another planning cycle.

A politically neutral approach would be for each participating council to recognise Simplifying Local Government in its LTP and preserve the ability to consider opportunities identified through Head Start that could progress under any future governance arrangement. This would not presume amalgamation, a unitary authority or any other structural outcome. Any opportunity would still require its own assessment, business case, governance approval and funding decision.

One specific area for regional consideration is policy planning capability associated with implementation of the new resource management system. The Planning Act 2026 and Natural

Environment Act 2026 were enacted on 30 September 2026, replacing the previous legislative framework with a new system for land-use planning and management of the natural environment. The new system provides for regional spatial planning and new regional planning arrangements, requiring significant coordination across Northland councils. As the regional Process Agreement and implementation arrangements are developed, there is an opportunity to consider whether shared policy planning capability could improve resilience, consistency and efficiency.

The enactment of the Planning Act 2026 and Natural Environment Act 2026 also reinforces the need for councils to reflect the implementation implications of resource management reform through their respective 2027–37 Long Term Plans, including appropriate assumptions about regional planning, organisational capability, costs and transition.

The suggested next steps are to:

- continue monitoring Government decisions and maintain programme readiness;
- retain the remaining programme budget pending greater certainty about future requirements;
- preserve the evidence, analysis and learning developed through Head Start;
- continue investigation into whether some services could be shared, with any proposal subject to separate assessment and governance approval;
- encourage each participating council to acknowledge Simplifying Local Government and relevant Head Start opportunities through its LTP without committing to a structural outcome; and
- consider, through development of the regional Process Agreement and implementation of the Planning Act 2026 and Natural Environment Act 2026, whether shared policy planning capability could support delivery of the new resource management system.

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

Funding for the Head Start Local Government Reform Programme has been jointly provided by Whangārei District Council, Far North District Council and Northland Regional Council. While budget remains available, pausing substantive programme activity will help ensure that expenditure is appropriately timed and informed by future Government decisions.

Retaining the remaining budget in the current financial year provides flexibility to support any future work required through Head Start or related regional assessment. No new funding decision is sought through this information report.

Any proposal arising from the investigation into shared services or shared policy planning capability would require separate assessment. Where appropriate, this should include the financial case, implementation costs, benefits, risks, service implications and the proposed allocation of costs between participating councils. Recognition of an opportunity in an LTP would preserve flexibility but would not, by itself, constitute approval or funding for implementation.

ĀPITIHANGA / ATTACHMENTS

Nil

8 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
8.1 - Confirmation of Previous Minutes - Public Excluded	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities 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
8.2 - Next steps for the Housing for the Elderly portfolio	s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority 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
8.3 - Sites for Electric Vehicle Charging Infrastructure	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
8.4 - Award of Contract 7/26/001 Infrastructure Acceleration Fund Kawakawa Water Treatment Plant Upgrade	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the	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

	information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege 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)	of information for which good reason for withholding would exist under section 6 or section 7

9 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

10 TE KAPINGA HUI / MEETING CLOSE