



**Kaipara District Council**

# **Environmental Scan**

**January 2013**



Kaipara te Oranganui

**KAIPARA  
DISTRICT**

Two Oceans Two Harbours

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## **A. Executive Summary**

This Environmental Scan was completed in January 2013.

At the time of compiling this information the 2011 Census had been postponed so a large amount of information and analysis is unavailable or deemed to be out of date. The Census has now been scheduled for March 2013. The purpose of this document is to provide a quick overview of the legal, social, economic, physical and technical environment in which the Council operates. This first issue of the environmental scan is to be followed by later editions which will ensure up to date information on key indicators is always available.

The key findings which are highlighted within this Environmental Scan are:

### *Legal*

- Central government is presently reforming the local government sector to reduce red tape, and compliance, minimise rates, lower their debt and provide high-quality infrastructure at the least possible cost;
- Changes to local government have made the reorganisation of local government easier;
- Following these changes Far North District Council has lodged an application to become a unitary authority. This move may force the remaining territorial authorities in Northland to also consider reorganisation;
- There is the potential to develop shared services with other councils.

### *Social*

- The District has a population of 19,100 (June 2012 estimate), of whom about 4,450 live in Dargaville;
- The population is largely rural, living in small settlements dotted in amongst the rolling hills;
- Kaipara, like the rest of the country, has an aging population;
- The District's population is expected to grow by 3 per cent over the next 10 years;
- Most growth is expected to occur in the south of the District around Mangawhai and Kaiwaka. By contrast population in the remainder of the District is predicted to decrease. Dargaville's population is expected to decline by 10 per cent over the next ten years;
- Young people, particularly in the 20 – 30 age group but also children, are presently and will become increasingly under-represented in the District;
- The Kaipara district has a large percentage of absentee ratepayers compared to other districts.

### *Economic*

- Over the past four years Northland has consistently had the lowest median weekly income of any New Zealand region;
- Both the amount of dollars being awarded as rates rebates and the number of applications has increased over the period 2009 to 2012;
- The two greatest limitations on industry in Northland are limitations in transport networks (Roads, and of particular importance for heavy freight Rail), electricity generation and security of electricity supply;

### *Physical*

- The District has one of the largest roading networks within New Zealand (~1,557 km), with a large proportion of these roads being unsealed (~1,121 km);
- Roding presently comprises the majority of Kaipara District Council's annual budget;
- The District's rail network is threatened with closure;
- Recent redefinition of the Council's boundaries to be set at mean low water springs rather than mean high water springs may require the Council to pass Bylaws to govern the use of vehicles on beaches, particularly on the west coast;
- The Dargaville water pipe network is set to require a large scale overhaul with much of the pipe network needing replacement;
- In addition to the tidal power scheme already progressing, the District also has the potential to develop wind farms in several locations.

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## **C. The Kaipara District**

The Kaipara District Council is one of the few councils that stretch from the west coast to the east coast. From the wilds of the west coast to the water sports of the east coast and rural New Zealand in between.

Kaipara District is located in the low hills around the northern shores of the [Kaipara Harbour](#); a large natural harbour which opens to the [Tasman Sea](#). Kaipara District Council shares management of the harbour with various other organisations, most notably [Auckland Council](#) to the south of the harbour.

The roughly triangular District stretches from a thinning of the [North Auckland Peninsula](#) south of [Maungaturoto](#) in the southeast to the [Waipoua Forest](#) in the northwest, from there extending down the west coast to the Kaipara Harbour entrance. The region is bisected by the [Wairoa River](#) and its tributaries, which flow into the northern end of the Kaipara Harbour.

### **1 Population**

The District consists of the towns of [Dargaville](#), [Ruawai](#), [Paparoa](#), [Maungaturoto](#), [Kaiwaka](#) and [Mangawhai](#), as well as the rural area which surrounds them. It has a population of 19,100 (June 2012 estimate), of whom about 4450 live in Dargaville, the seat of the District Council.

The population is largely rural, living in small settlements dotted around the undulating countryside.

The nearest city is [Whangarei](#), 45 kilometres northeast of Dargaville.

## **D. Overview of Environmental Scan**

### **2 Introduction**

Environmental scanning is the process of continually acquiring information on events occurring outside the organisation to identify and interpret potential trends. An Environmental Scan looks at what changes are likely to affect the future internal and external operating environment for the Kaipara District Council. The Environmental Scan can occur by evaluating and highlighting medium and long term trends and anticipating what might transpire in the future and then link it with the need to think strategically. Environmental scanning is important as we need to be able to look into the future to plan for services and resources which our community may require.

### **3 Environmental Scan Process**

We experience changes in a large number of areas. Environmental trends typically arise from the sources listed below. Providing an explanation for the trend and assessing its implications is also an important part of environment scanning

- Legal;
- Social;
- Economic;
- Customer Expectations ;
- Physical; and
- Technical



### 3.1 Legal

#### *Local Government Act 2002 Amendment Act 2012: Better Local Government Reform*

- The central government's programme for reform of the local government sector aims to improve the operation of local government (for more analysis on this please see the "[Economic](#)" section of this Scan). This will have implications for the way Council operates, what activities it engages in and how it delivers its services.
- The local government reform will focus on local authorities operating more efficiently and effectively by doing things that only they can do. The Minister of Local Government, Hon Dr David Carter, has stated that these reforms will:  
  
"deliver settings that will encourage local authorities to reduce red tape, and compliance, minimise rates for households and businesses, lower their debt, and provide high-quality infrastructure at the least possible cost". *Parliamentary Debates (Hansard) for Tuesday, 12 June 2012.*

The Government's programme for reform of the local government sector comprises two distinct phases:

- The first phase will refocus the purpose of local government, introduce financial prudence requirements for local authorities, strengthen local authority governance provisions and streamline local authority reorganisation procedures.
- The second phase of the reform programme will consider the report of the Local Government Efficiency Taskforce. It will also develop a framework for the interface between central and local government regulatory roles, investigate the efficiency of local government infrastructure provision and review the use of development contributions.

The Local Government Act 2002 Amendment Act, modifies the Local Government Act 2002 to give effect to the first phase of the Government's reform programme. Firstly, the Act refocuses the purpose of local government. The new purpose given in the Act provides for local authorities to meet the current and future needs in their communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Central government is trying to create a clear and focused purpose statement which it thinks it is necessary for the efficient running of local government in New Zealand. It should also be recognised that there are other taskforce/reviews that are also occurring at present including the Infrastructure Taskforce, Productivity Commission review of regulatory environment and the review of development contributions by the Office of the Auditor General (OAG). There is also Building Control Authority (BCA) reform being signalled. While Government has backed away from the regional/national reform signalled last year they have signalled a new national system which could lead to greater collaboration/consolidation of BCAs in the medium term.

The second area of reform is the establishment of financial prudence requirements for local authorities. The issues around what constitutes financial prudence are discussed in a recent report by the OAG on matters arising from local authorities 2012/2022 Long Term Plans. The

Department of Internal Affairs (DIA) will be undertaking some work on financial prudence regulations.

The Act contains three mechanisms to strengthen local authority governance provisions. This is seen by central government to assist struggling local authorities and intervene before situations become critical. In particular, the new mechanisms can be used where local authorities are failing, or are close to failing, the new financial prudence requirements. The leadership roles of Mayors will be strengthened in line with that of the Auckland Mayor under the Local Government (Auckland Council) Act of 2009. Mayors will be given governance powers that will align with the level of public responsibility they have for council decisions and that will support clear, strong leadership by Mayors. Elected councils will be specifically enabled to determine policies on staff numbers and remuneration and they will be required to report annually on staff employed by salary bands.

Another area of reform in the Act is the streamlining of local government reorganisation procedures for the union, abolition, and constitution of districts and regions and the creation of unitary authorities. Until now, such reorganisations could proceed only if they were supported by more than 50 per cent of the votes cast in each affected district or region and reorganisation involved a long and complex process. The Act is seen to make it easier for communities and local authorities to apply for a local government reorganisation, and it gives the Local Government Commission more flexibility in considering applications. Reorganisation applications will still need significant community support before the Commission can progress them.

Following these changes, Far North District Council has lodged an application with the Local Government Commission to take over the functions of the Northland Regional Council in their district and thus become a unitary authority. This is likely to force Kaipara District, Whangarei District and Northland Regional Councils to also reorganise into some new structure. Kaipara District Council needs to monitor this situation as it develops and formulate its own position on how local government in Northland should be reformed, remembering that the status quo is a valid option.

It is anticipated that the Hon Dr David Carter will be replaced as Minister for Local Government by the Hon Dr Nick Smith. This change in Minister could mean a change in direction for Local Authorities.

### 3.2 Social

Statistics New Zealand estimates as at June 2012 that the total population of Kaipara is 19,100.

National population projections give an indication of New Zealand's future population.

Projections indicate:

- Population growth will slow as New Zealand's population ages;
- The gap between the number of births and deaths will narrow; and
- There is roughly a 1 in 3 chance that deaths could exceed births in 2062.

Statistics New Zealand does not provide the same level of detail for local authority areas.

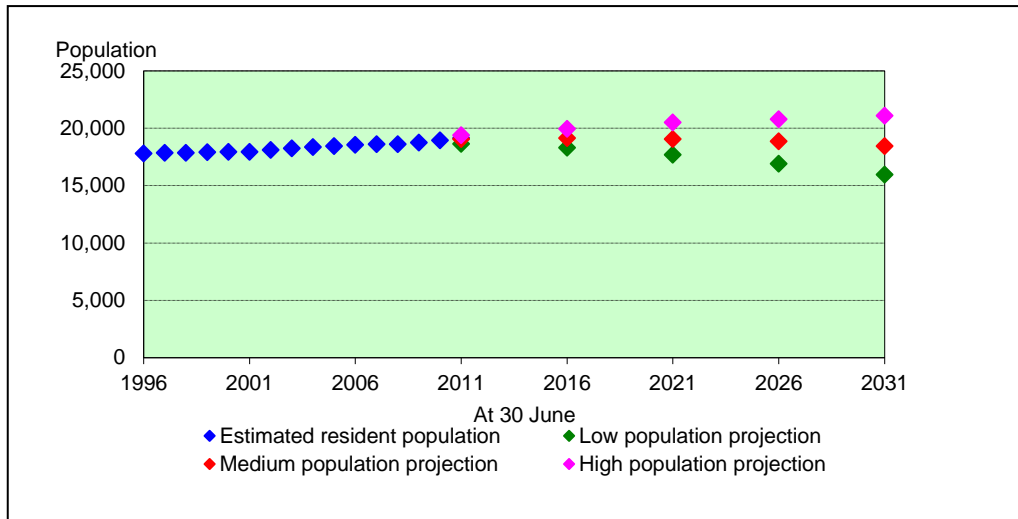
However, more information will be accessible once the Census 2013 has been completed. See below for Statistics New Zealand information on the Kaipara District.

The *median projection* indicates:

- New Zealand's population (4.4 million in 2012) will increase to 5.4 million in 2036 and 6.0 million in 2061.
- The population aged 65+ (600,000 in 2012) will increase to 1.2 million in 2036 and 1.5 million in 2061.
- The proportion of the population aged 65+ (14 per cent in 2012) will increase to 23 per cent in 2036 and 26 per cent in 2061.

| <b>Estimated and projected population – Kaipara District</b> |                               |                      |               |             |
|--------------------------------------------------------------|-------------------------------|----------------------|---------------|-------------|
| At 30 June                                                   | Estimated resident population | Projected population |               |             |
|                                                              |                               | Low series           | Medium series | High series |
| 1996                                                         | 17,800                        |                      |               |             |
| 1997                                                         | 17,850                        |                      |               |             |
| 1998                                                         | 17,850                        |                      |               |             |
| 1999                                                         | 17,900                        |                      |               |             |
| 2000                                                         | 17,950                        |                      |               |             |
| 2001                                                         | 17,950                        |                      |               |             |
| 2002                                                         | 18,100                        |                      |               |             |
| 2003                                                         | 18,250                        |                      |               |             |
| 2004                                                         | 18,350                        |                      |               |             |
| 2005                                                         | 18,450                        |                      |               |             |
| 2006                                                         | 18,550                        |                      |               |             |
| 2007                                                         | 18,600                        |                      |               |             |
| 2008                                                         | 18,600                        |                      |               |             |
| 2009                                                         | 18,750                        |                      |               |             |
| 2010                                                         | 18,950                        |                      |               |             |
| 2011                                                         | 19,150                        | 18,650               | 19,050        | 19,400      |
| 2016                                                         |                               | 18,300               | 19,150        | 19,950      |
| 2021                                                         |                               | 17,700               | 19,050        | 20,500      |
| 2026                                                         |                               | 16,900               | 18,850        | 20,800      |
| 2031                                                         |                               | 15,950               | 18,450        | 21,100      |

## Estimated and projected population – Kaipara District



According to the medium series of the updated 2006-base subnational population projections (released February 2010), 13 of New Zealand's 16 regions and 44 of 73 territorial authority areas are projected to have more residents in 2031 than in 2006. However, population growth will slow over the projection period in all areas.

Demographic projections should not be confused with economic forecasts. Changes in the number of people, families and households do not necessarily relate to the social and economic well-being of an area. The number of people, families and households may change independently of local economic factors.

The population of the Kaipara district will reflect both economic and social drivers. Fewer jobs in the District will obviously force people to leave in search of work. Reduced economic opportunities will also prevent people moving into or returning to the District. This is likely to have its greatest affect on youth who leave the District to attain a tertiary education. On completion of their qualifications they may find that higher level jobs are not available in their homeland, requiring them to seek employment in other districts in order to repay their student loans.

There is also a change in the culture of young people in that they increasingly favour cities and large centres over smaller towns and rural areas. This is matched by an increasing desire among more mature people to live in, or retire in the country. The result of this is a greater proportion of older people in rural districts such as ours.

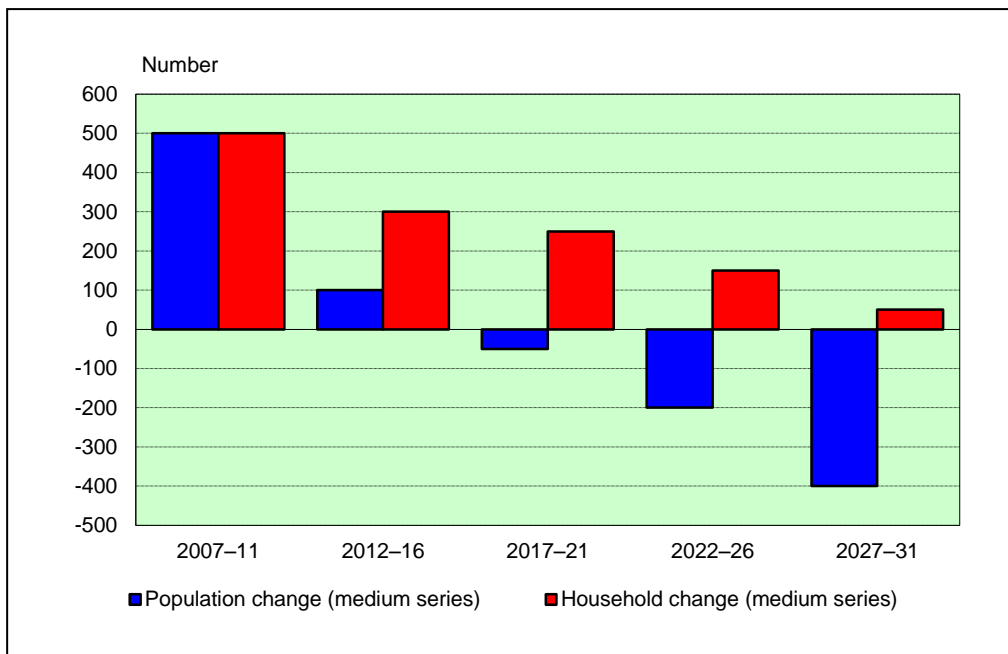
Technology also influences demographics. Improvements in roading and greater availability of cars means that people are increasingly able to leave the District to acquire the goods and services they desire from larger centres such as Whangarei or Auckland. This causes rural towns like Dargaville and Maungaturoto to lose trade, forcing businesses to close and move to the larger centres. However this same technology also allows people employed in larger centres to live in the country and commute to work. Technology also influences farming demographics (particularly important for Kaipara with its rural hub).

Changes to the dairy industry have seen farm sizes increase while the number of people employed in the industry has decreased. Conversely there has also been an increase in boutique farming in the District in recent years. The growing popularity of small holdings for such purposes allows for the increase of Kaipara's rural population.

**Projected population and household change – Kaipara District**

| Period    | Population change | Household change |
|-----------|-------------------|------------------|
| 2007-2011 | 500               | 500              |
| 2012-2016 | 100               | 300              |
| 2017-2021 | -50               | 250              |
| 2022-2026 | -200              | 150              |
| 2027-2031 | -400              | 50               |

**Projected population and household change – Kaipara District**



Fewer people per household is projected in all territorial authorities and regions, largely due to the general ageing of the population. As people age they are more likely to live as couples without children, or as one-person households.

As a result some areas with a projected decrease in population may have a projected increase in households.

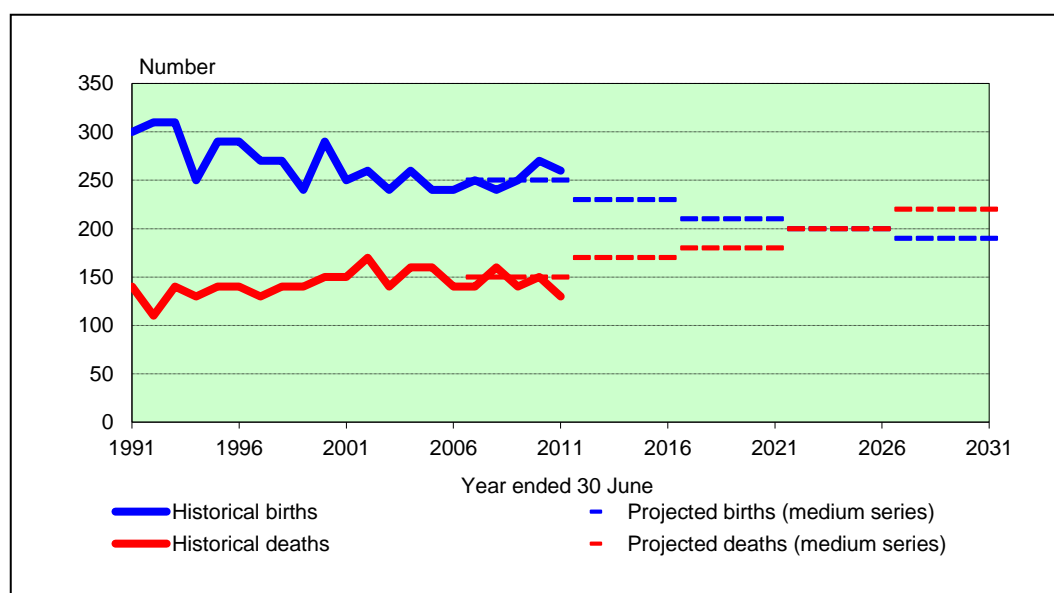
This reinforces the importance of the population projections in providing information about the changing age structure which is at least as important as changes in total numbers.

There is also the desire to build or own larger homes (e.g. an older couple living in a four bedroom house) due to their increased resale value.

### Births and deaths – Kaipara District

| Year ended 30 June | Births     |           | Deaths     |           |
|--------------------|------------|-----------|------------|-----------|
|                    | Historical | Projected | Historical | Projected |
| 2007               | 250        | 250       | 140        | 150       |
| 2008               | 240        | 250       | 160        | 150       |
| 2009               | 250        | 250       | 140        | 150       |
| 2010               | 270        | 250       | 150        | 150       |
| 2011               | 260        | 250       | 130        | 150       |
| 2012               |            | 230       |            | 170       |
| 2013               |            | 230       |            | 170       |
| 2014               |            | 230       |            | 170       |
| 2015               |            | 230       |            | 170       |
| 2016               |            | 230       |            | 170       |
| 2017               |            | 210       |            | 180       |
| 2018               |            | 210       |            | 180       |
| 2019               |            | 210       |            | 180       |
| 2020               |            | 210       |            | 180       |
| 2021               |            | 210       |            | 180       |
| 2022               |            | 200       |            | 200       |
| 2023               |            | 200       |            | 200       |
| 2024               |            | 200       |            | 200       |
| 2025               |            | 200       |            | 200       |
| 2026               |            | 200       |            | 200       |
| 2027               |            | 190       |            | 220       |
| 2028               |            | 190       |            | 220       |
| 2029               |            | 190       |            | 220       |
| 2030               |            | 190       |            | 220       |
| 2031               |            | 190       |            | 220       |

### Births and deaths – Kaipara District



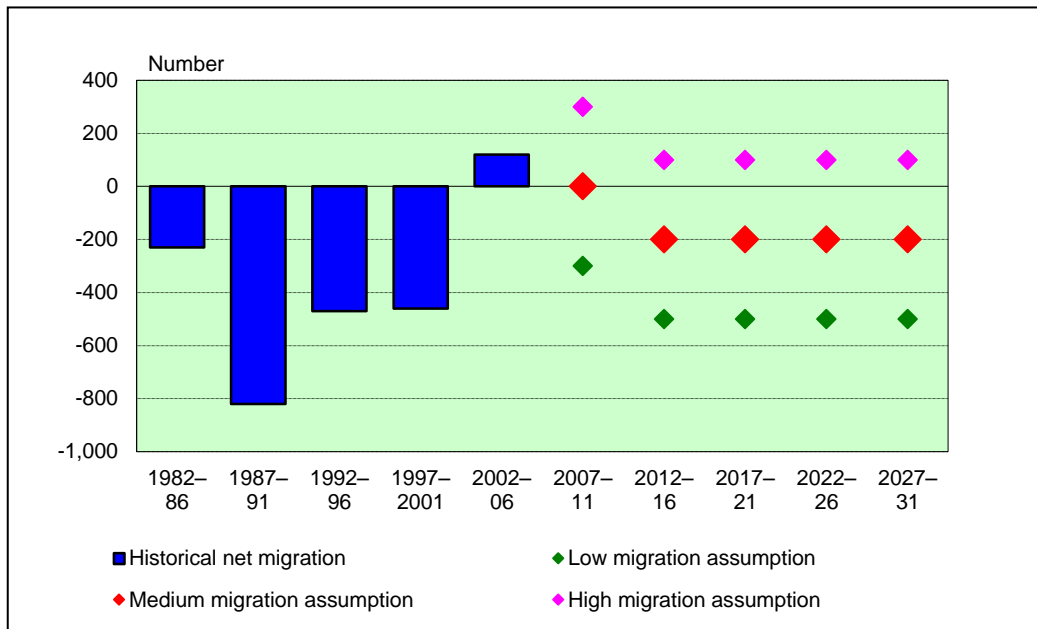
Natural increase (births minus deaths) is projected to decline in all territorial authority and regional council areas, reflecting the transition to an older population.

Births are projected to still exceed deaths at the national level by the 2050s, but by a narrow margin only (mid-range projection = 50th percentile). In some areas, however, deaths will exceed births.

The decline in natural increase will continue regardless of whether fertility rates decline or remain around present levels and regardless of further increases in life expectancy.

The transition to an older population may be more dramatic in Kaipara compared to other districts due to the inclination of youth to leave the area and not return, coupled with its attractiveness as a lifestyle or retirement destination.

**Net Migration - Kaipara District**



Net migration includes external migration (movement between countries) and internal migration (movement between areas of New Zealand).

Assumptions made about future migration are not simple extrapolations of historical trends. For example, in some areas the population is insufficient to sustain net migration losses similar to the past, so smaller net migration outflows are assumed in the future.

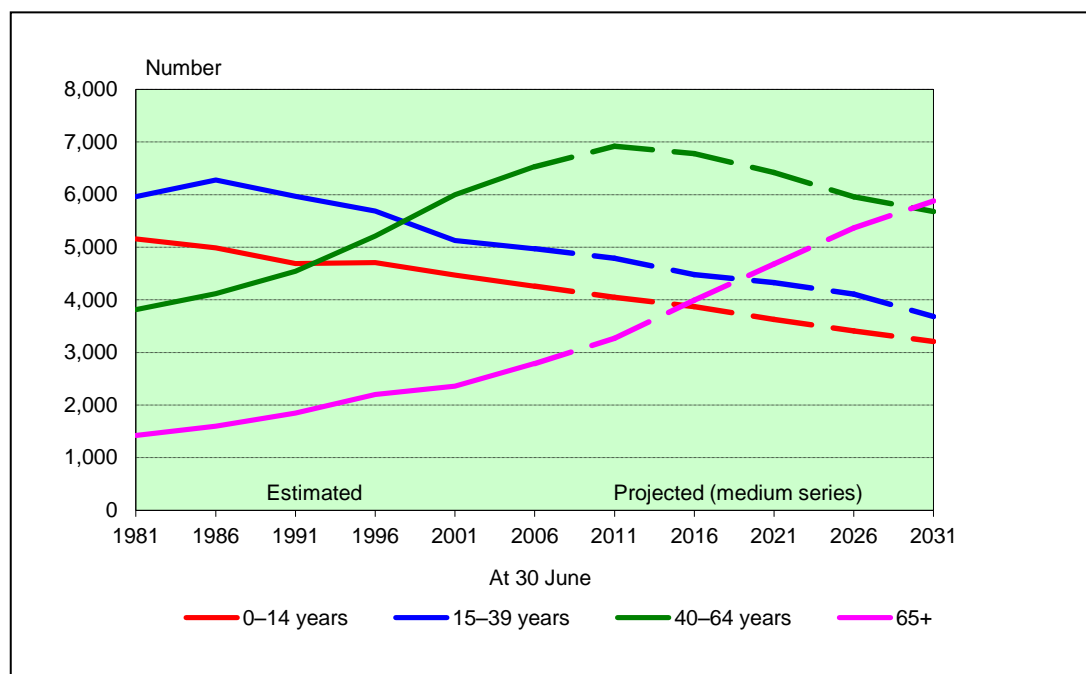
New Zealand experienced relatively low net migration gains during 1997–2001 but significant net migration gains during 2002–2006. Population projections assume future national migration levels will be intermediate between the levels of these two periods.

Net migration gains to Kaipara may increase in response to roading improvements between Mangawhai and Auckland, increasing the desirability of this location to those who like to live rurally but still enjoy the services of the big city.

**Population by broad age group - Kaipara District**

| At 30 June <sup>(1)</sup>      | Age group (years) |       |       |             |
|--------------------------------|-------------------|-------|-------|-------------|
|                                | 0-14              | 15-39 | 40-64 | 65 and over |
| 1981                           | 5,160             | 5,960 | 3,810 | 1,420       |
| 1986                           | 4,990             | 6,280 | 4,120 | 1,600       |
| 1991                           | 4,690             | 5,970 | 4,540 | 1,850       |
| 1996                           | 4,710             | 5,690 | 5,210 | 2,200       |
| 2001                           | 4,470             | 5,130 | 6,000 | 2,360       |
| 2006                           | 4,260             | 4,970 | 6,530 | 2,790       |
| <b>Projected<sup>(2)</sup></b> |                   |       |       |             |
| 2011                           | 4,050             | 4,790 | 6,920 | 3,270       |
| 2016                           | 3,870             | 4,480 | 6,780 | 3,990       |
| 2021                           | 3,630             | 4,330 | 6,420 | 4,680       |
| 2026                           | 3,410             | 4,110 | 5,960 | 5,370       |
| 2031                           | 3,210             | 3,680 | 5,680 | 5,880       |

**Population by broad age group - Kaipara District**



Population change has not been, and will not be, constant across age.

The population aged 65 years and over is likely to grow fastest in the future in most areas. The population in the older working ages (40-64 years) is also likely to increase in the short term in most parts of the District.

Conversely, the number of children (0-14 years) and the younger working age population (15-39 years) are expected to remain stable or decline in most parts of the District.

Again this is likely to be due to younger people leaving the District and older people moving in. A further component of these changes is likely to be due to the ageing of the present large cohort in the older working ages.

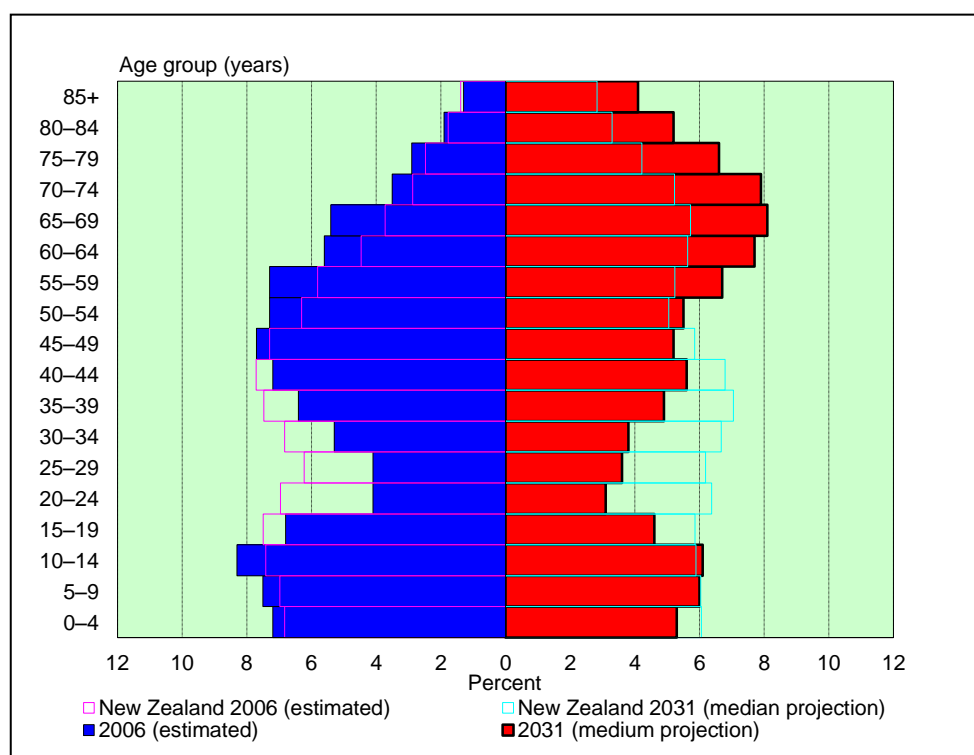
Reduction in the number of children in the District will likely be due to the growing trend in developed countries towards smaller families, as well as the trend of young people and therefore young families to settle outside the District after leaving to attain tertiary qualifications.



### Population age pyramid – Kaipara District

| Age group (years) | Kaipara District at 30 June |        | New Zealand at 30 June |        |
|-------------------|-----------------------------|--------|------------------------|--------|
|                   | 2006 %                      | 2031 % | 2006 %                 | 2031 % |
| 0 - 4             | 7.2                         | 5.3    | 6.8                    | 6.1    |
| 5 - 9             | 7.5                         | 6.0    | 7.0                    | 6.0    |
| 10 - 14           | 8.3                         | 6.1    | 7.4                    | 5.9    |
| 15 - 19           | 6.8                         | 4.6    | 7.5                    | 5.9    |
| 20 - 24           | 4.1                         | 3.1    | 7.0                    | 6.4    |
| 25 - 29           | 4.1                         | 3.6    | 6.2                    | 6.2    |
| 30 - 34           | 5.3                         | 3.8    | 6.8                    | 6.7    |
| 35 - 39           | 6.4                         | 4.9    | 7.5                    | 7.0    |
| 40 - 44           | 7.2                         | 5.6    | 7.7                    | 6.8    |
| 45 - 49           | 7.7                         | 5.2    | 7.3                    | 5.9    |
| 50 - 54           | 7.3                         | 5.5    | 6.3                    | 5.0    |
| 55 - 59           | 7.3                         | 6.7    | 5.8                    | 5.2    |
| 60 - 64           | 5.6                         | 7.7    | 4.5                    | 5.6    |
| 65 - 69           | 5.4                         | 8.1    | 3.7                    | 5.7    |
| 70 - 74           | 3.5                         | 7.9    | 2.9                    | 5.2    |
| 75 - 79           | 2.9                         | 6.6    | 2.5                    | 4.2    |
| 80 - 84           | 1.9                         | 5.2    | 1.8                    | 3.3    |
| 85+               | 1.3                         | 4.1    | 1.4                    | 2.8    |
| Total             | 100.0                       | 100.0  | 100.0                  | 100.0  |

### Population age pyramid – Kaipara District



The age structure reflects the various influences of births, migration and deaths.

Changes in the age structure of the population are occurring in all areas, with the most important trend being the general ageing of the population; with an increasing number and share in the older age groups.

The 'baby boomers' (those aged 45-64 years in 2011) will be aged 65-84 years in 2031.

Population projections give an indication of the future population usually living in New Zealand. The projections cover a range of possible outcomes based on different combinations of fertility, mortality, and migration assumptions.

Projections are not predictions. The projections should be used as an indication of the overall trend, rather than as exact forecasts.

Understanding how the population of the District will change is vital for managing its future. It allows for preparations to be made to accommodate growth in some areas, while in other areas actions maybe required to ensure they remain viable in the face of population decline.

Understanding how the age structure of the population will change is also important as it defines how the nature of communities will be affected. Consider how the demand for provision of schools, skate parks and other active recreational facilitates may change in light of the information above.

### 3.3 Economic

New Zealand's 78 Local Authorities are a significant component of the New Zealand economy. They make up 4 per cent of the Gross Domestic Product (GDP), spend \$7.5 billion per year of public money and manage \$100 billion worth of public assets. They deliver a wide range of critical regulatory functions and local public services that directly impact the lives of New Zealanders every day.

Currently the National-led Government thinks that central government has a part to play in creating an environment in which local government is better able to contribute to building a more productive and competitive economy and to deliver better public services. The central government's programme for reform of the local government sector aims to improve the operation of local government.

With the reforms as stated in the "Legal" section above, central government has stated that councils must restrain spending, keep costs down and run as efficiently and effectively as possible. In building a more competitive and productive economy it is critical that both local and central government take a prudent financial approach to public money. The Local Government Act 2002 Amendment Act 2012 provides for regulations for central government to set benchmarks for the prudent overall management by councils of revenue, expenses, assets, liabilities, investments and general financial deals.

*Local Authority Financial Statistics: Year ended June 2011 –*

#### Key Facts

In the year ended 2011 compared with the year ended June 2010:

- Local Authorities increased their operating deficit from \$0.2 billion to \$0.6 billion
- Funding that Local Authorities earned to provide core services (operating income) was up 6.5 per cent
- Income from rates was up 4.9 per cent
- Spending on core services (operating expenditure) was up 11.6 per cent
- Local Authorities had assets worth \$120.6 billion at 30 June 2011, up 17.1 per cent

#### *Kaipara Economic Indicators*

*Table 1. Regional growth indicators (year to September 2012 compared with previous 12 months)*

| Indicator (annual average % change) | Kaipara  | Northland | New Zealand |
|-------------------------------------|----------|-----------|-------------|
| GDP                                 | ↑ 3.6%   | ↑ 2.3%    | ↑ 1.8%      |
| Unemployment beneficiaries*         | ↑ 2.6%   | ↑ 8.3%    | ↑ 9.5%      |
| Unemployment rate* (% point change) | ↓ -1.4%  | ↓ -1.4%   | ↓ -0.7%     |
| Residential consents                | ↑ 3.2%   | ↑ 4.0%    | ↑ 18.2%     |
| Non-residential consents            | ↓ -10.9% | ↑ 17.0%   | ↑ 2.1%      |
| Retail sales                        | ↑ 3.6%   | ↑ 4.1%    | ↑ 4.4%      |
| House sales                         | ↑ 35.4%  | ↑ 19.2%   | ↑ 20.7%     |
| House prices                        | ↑ 0.1%   | ↓ -0.5%   | ↑ 5.3%      |
| Guest nights                        | ↓ -6.0%  | ↓ -5.1%   | ↓ -2.3%     |
| Car registrations                   | ↓ -4.4%  | ↓ -0.4%   | ↑ 3.9%      |
| Commercial vehicle registrations    | ↑ 5.1%   | ↑ 20.6%   | ↑ 15.8%     |

Source: Infometrics, Statistics New Zealand, Ministry of Social Development, REINZ, QV and NZTA

\* An increase in the number of registered job seekers and the unemployment rate is shown as a negative.

### Gross Domestic Product (GDP)

GDP in Kaipara increased by 3.6 per cent in the year to September 2012 compared to the previous 12 months. The level of GDP was \$427 million (1995/1996 prices) in Kaipara during the year to September 2012. This increase was higher than in Northland as a whole and across the nation. This success was largely due to the agricultural sector experiencing a particularly productive growing season. The following table shows how Kaipara's GDP growth rate has compared to other councils over the past ten years. Decile one contains the 10 per cent of districts with the fastest growth rates while decile ten contains the 10 per cent with the lowest growth rates.

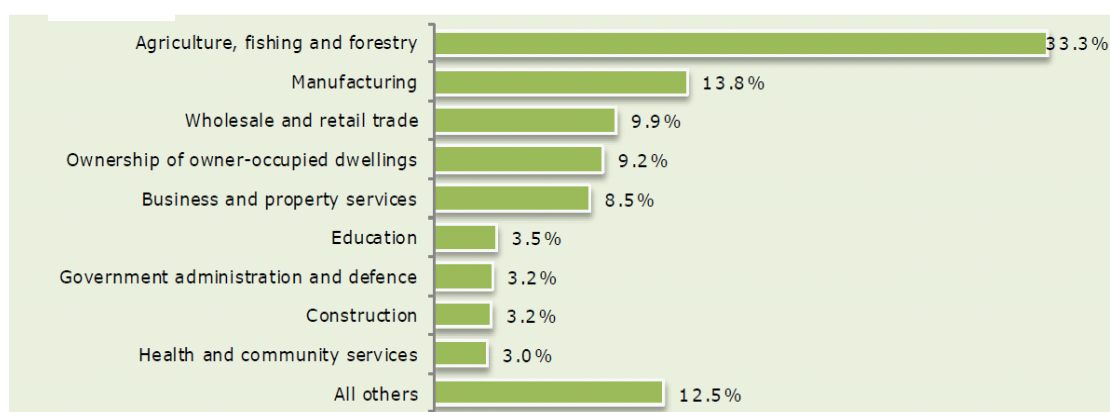
GDP growth decile rankings: last 1, 2, 5 and 10 years.

| Decile                | Last year | Last 2 years | Last 5 years | Last 10 years |
|-----------------------|-----------|--------------|--------------|---------------|
| <b>1 Fastest 10%</b>  |           |              |              |               |
| <b>2</b>              |           |              |              |               |
| <b>3</b>              | Kaipara   |              |              |               |
| <b>4</b>              |           |              |              |               |
| <b>5</b>              |           |              |              |               |
| <b>6</b>              |           | Kaipara      |              |               |
| <b>7</b>              |           |              |              |               |
| <b>8</b>              |           |              | Kaipara      |               |
| <b>9</b>              |           |              |              | Kaipara       |
| <b>10 Slowest 10%</b> |           |              |              |               |

Source: Infometrics 2011 Annual Economic Profile: Kaipara

According to the Infometrics "2011 Annual Economic Profile: Kaipara", agriculture was the largest industry in Kaipara in 2011 accounting for 23.9 per cent of total GDP (compared to 5 per cent nationally). The second largest industry was manufacturing (13.8 per cent) followed by wholesale and retail trade (9.9 per cent). Forestry and logging contributed a further 8.8 per cent. The following figure shows how the different, broad industry groups contribute to overall GDP in the Kaipara District.

Industry contribution to total GDP in (2011)



Source: Infometrics 2011 Annual Economic Profile: Kaipara

According to the Infometrics “2011 Annual Economic Profile: Kaipara” the industries in which Kaipara has the largest comparative advantages are forestry/logging, agriculture, furniture and other manufacturing. Forestry and logging made the largest contribution to growth in Kaipara, contributing \$43 million to GDP in the year to March 2011 (by comparison dairying contributed \$53 million). The industry grew by 13.9 per cent over the year to March 2011 and contributed 1.1 percentage points to the District's total growth of 2.7 per cent.

### Employment

The following table gives an idea of how people in Kaipara are employed across the various industry groupings compared to New Zealand as a whole.

*Employment by broad industry (2011)*

|                                       | Employment   |                  | % of total    |               |
|---------------------------------------|--------------|------------------|---------------|---------------|
|                                       | Kaipara      | New Zealand      | Kaipara       | New Zealand   |
| Agriculture, fishing and forestry     | 2,137        | 139,630          | 30.3%         | 6.6%          |
| Mining                                | 55           | 5,713            | 0.8%          | 0.3%          |
| <b>Total primary industries</b>       | <b>2,192</b> | <b>145,343</b>   | <b>31.1%</b>  | <b>6.8%</b>   |
| Manufacturing                         | 875          | 233,199          | 12.4%         | 10.9%         |
| Electricity, gas and water supply     | 2            | 7,171            | 0.0%          | 0.3%          |
| Construction                          | 516          | 164,030          | 7.3%          | 7.7%          |
| <b>Total secondary industries</b>     | <b>1,393</b> | <b>404,400</b>   | <b>19.8%</b>  | <b>19.0%</b>  |
| Wholesale and retail trade            | 1,176        | 376,698          | 16.7%         | 17.7%         |
| Accommodation, restaurants and bars   | 262          | 112,089          | 3.7%          | 5.3%          |
| Transport and storage                 | 158          | 84,615           | 2.2%          | 4.0%          |
| Communication services                | 36           | 25,649           | 0.5%          | 1.2%          |
| Finance and insurance                 | 48           | 57,362           | 0.7%          | 2.7%          |
| Business and property services        | 460          | 316,025          | 6.5%          | 14.8%         |
| Government administration and defence | 117          | 76,664           | 1.7%          | 3.6%          |
| Education                             | 543          | 168,603          | 7.7%          | 7.9%          |
| Health and community services         | 355          | 215,919          | 5.0%          | 10.1%         |
| Cultural, personal and other services | 312          | 146,603          | 4.4%          | 6.9%          |
| <b>Total tertiary industries</b>      | <b>3,466</b> | <b>1,580,228</b> | <b>49.2%</b>  | <b>74.2%</b>  |
| <b>Total</b>                          | <b>7,052</b> | <b>2,129,970</b> | <b>100.0%</b> | <b>100.0%</b> |

Source: Infometrics 2011 Annual Economic Profile: Kaipara

A total of 303 persons received an unemployment benefit in Kaipara during the September 2012 quarter. The number was down from 311 twelve months earlier, a decrease of 2.6 per cent. This compares with change at the national level of 9.5 per cent. The seasonally adjusted unemployment rate in Kaipara was 7.5 per cent in the September 2012 quarter, up from 6.1 per cent twelve months prior. The rate in Kaipara was lower than in Northland region (10.1 per cent) and higher than in the national economy (7.3 per cent). (Source: Infometrics Quarterly Economic Monitor September 2012)

### Retail sales

Core retail sales measured \$33 million in Kaipara during the September 2012 quarter. In the year to September 2012 annual retail spending in Kaipara increased by 3.6 per cent compared to the previous 12 months. Its growth was lower than in the Northland region (4.1 per cent) and lower than in New Zealand (4.4 per cent). Total guest nights in Kaipara decreased by 6 per cent during the year to September 2012 compared with the previous 12 months. Visitors

stayed 89,000 guest nights in Kaipara during the year to September 2012. (Source: Infometrics Quarterly Economic Monitor September 2012)

Annual house sales in Kaipara increased by 35.4 per cent compared with the previous twelve months. Growth was higher than in the Northland region (19.2 per cent) and higher than in New Zealand (20.7 per cent). A total of 18 houses were sold in Kaipara during the September 2012 quarter. The average house price in Kaipara increased by 0.1 per cent in the year to September 2012 compared with the previous twelve months. The growth in Kaipara was higher than in Northland region (- 0.5 per cent) and lower than for the country as a whole (5.3 per cent). Kaipara's average house price was \$183,000 in the year to September 2012, which was lower than the average for the Northland region (\$298,000) and lower than for New Zealand (\$364,000). A total of 24 new residential building consents were issued in Kaipara during the September 2012 quarter. The number of consents in Kaipara increased by 3.2 per cent during the year to September 2012 compared with the same period a year ago. Non-residential building consents to the value of \$0.8 million were issued in Kaipara during the September 2012 quarter. The value of consents decreased by 10.9 per cent in the year to September 2012 compared with the same period the previous year. (Source: Infometrics Quarterly Economic Monitor September 2012)

#### Obstacles to Industry

A lack of transport infrastructure (road and rail) to service heavy industry and provide fast business links acts to discourage the establishment of industry in the region. This is particularly true for the forestry industry and Northport at Marsden Point. The reliable supply of electricity is also an issue for industry in the region with much of the region's energy demands being met by sources south of Auckland. Hence local electricity generation, together with greater investment in road and rail, is needed to promote the expansion of heavy industry in Northland.

#### Income

| <b>Median weekly earnings for those in paid employment</b> |                                     |            |            |            |            |
|------------------------------------------------------------|-------------------------------------|------------|------------|------------|------------|
| By regional council area, June quarter 2008 - 2012         |                                     |            |            |            |            |
| Regional council area                                      | Median weekly income (June quarter) |            |            |            |            |
|                                                            | 2008<br>\$                          | 2009<br>\$ | 2010<br>\$ | 2011<br>\$ | 2012<br>\$ |
| <b>Northland</b>                                           | <b>633</b>                          | <b>700</b> | <b>698</b> | <b>660</b> | <b>693</b> |
| Auckland                                                   | 767                                 | 786        | 800        | 840        | 863        |
| Waikato                                                    | 700                                 | 720        | 736        | 750        | 783        |
| Bay of Plenty                                              | 680                                 | 672        | 716        | 693        | 740        |
| Gisborne/Hawke's Bay                                       | 700                                 | 720        | 718        | 698        | 720        |
| Taranaki                                                   | 707                                 | 750        | 725        | 767        | 800        |
| Manawatu-Wanganui                                          | 669                                 | 700        | 710        | 713        | 715        |
| Wellington                                                 | 800                                 | 806        | 834        | 863        | 850        |
| Nelson/Tasman/Marlborough/West Coast                       | 700                                 | 700        | 719        | 705        | 720        |
| Canterbury                                                 | 684                                 | 729        | 750        | 776        | 767        |
| Otago                                                      | 663                                 | 729        | 763        | 731        | 737        |
| Southland                                                  | 684                                 | 695        | 740        | 760        | 720        |
| <b>Total</b>                                               | <b>729</b>                          | <b>756</b> | <b>767</b> | <b>767</b> | <b>800</b> |

Over the past four years Northland has consistently had the lowest median weekly income of any New Zealand region. This is likely a reflection of the region's remote, rural nature and lack of major industry (large-scale factories, manufacturing plants and ports). Furthermore there are few company head offices located in the region and no high tech educational institutes (universities). This coupled with deeper labour markets elsewhere results in many higher skilled professionals being based outside the region. Age demographics are another issue with young professionals being under-represented in the region.

The following table shows an estimate of median household income in private occupied dwellings for households in different areas of the Kaipara District for the year ended June 2012. According to the "New Zealand Income Survey: June 2012 quarter", median weekly household income from all sources increased by 1.2 percent nationally compared to the June 2011 quarter.

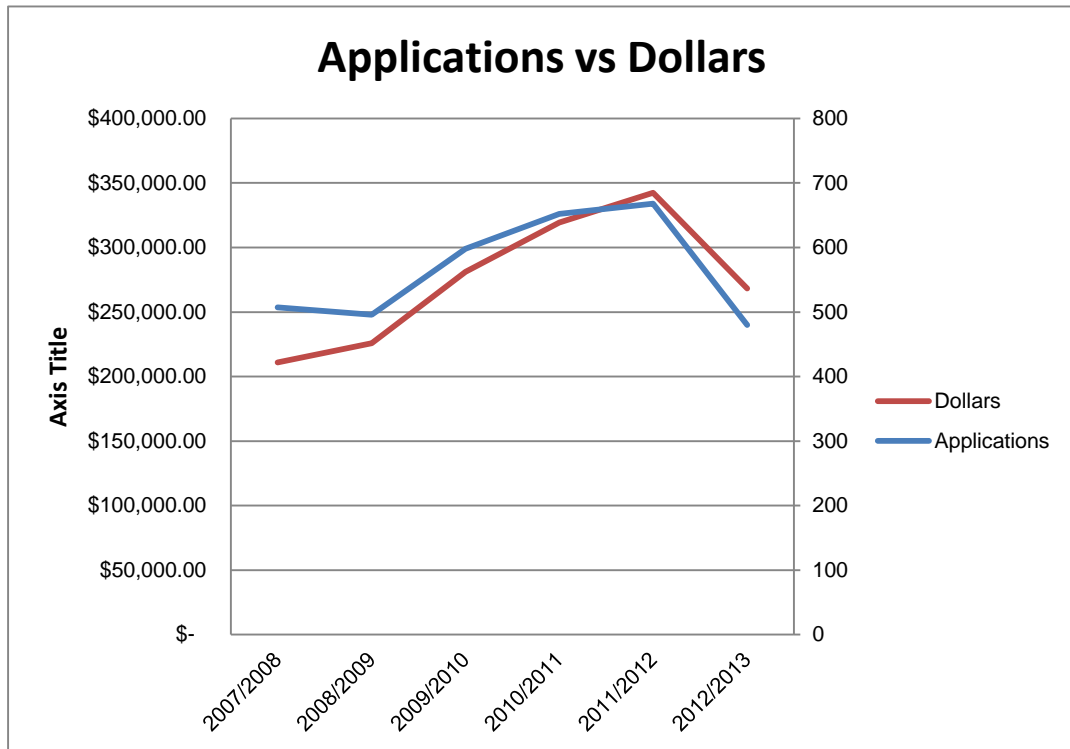
| Area            | Median Household Income in Private Occupied Dwellings |
|-----------------|-------------------------------------------------------|
| Te Kopuru       | \$29,558.19                                           |
| Kaipara Coastal | \$47,126.92                                           |
| Maungaru        | \$52,350.05                                           |
| Dargaville      | \$38,342.55                                           |
| Maungaturoto    | \$53,774.54                                           |
| Ruawai          | \$38,936.09                                           |
| kaiwaka         | \$43,209.57                                           |
| Rehia-Oneriri   | \$47,601.75                                           |
| Mangawhai       | \$40,954.12                                           |
| Mangawhai Heads | \$41,785.08                                           |
| Average         | \$43,363.89                                           |

#### *Rates Rebate*

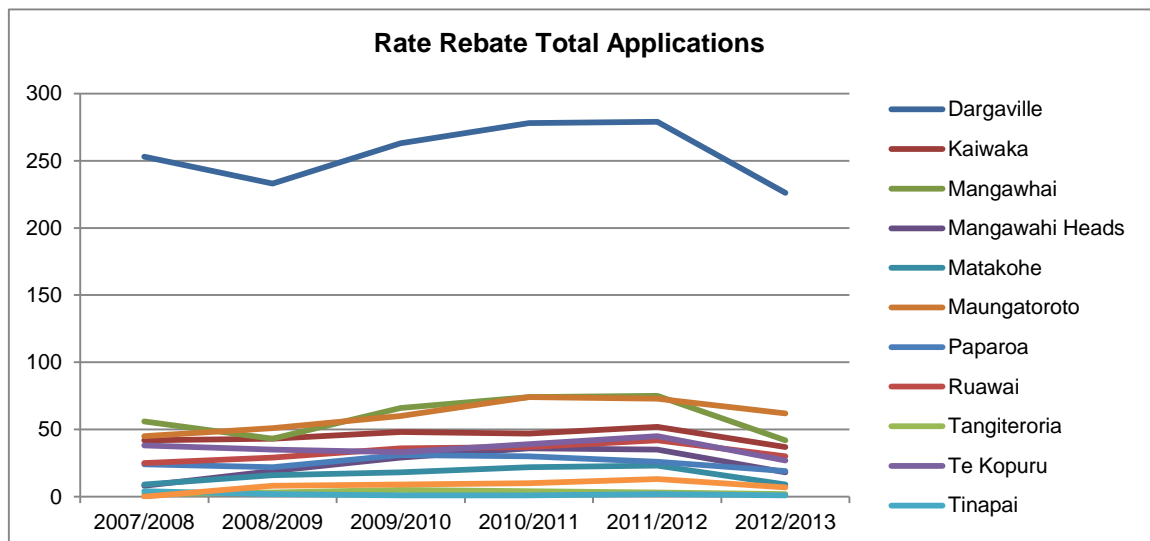
Ignoring the data for the 2012/2013 financial year, which is incomplete at time of writing, the graphs and tables listed below show two key trends; firstly that both the amount of dollars being awarded and the number of applications has increased and, secondly, that the gap between the amount of money and the number of applications is narrowing. Overall the increase in rates rebates is considered to be due to an increase in the number of people taking the time to apply, together with a gradual increase in the total amount that can be awarded.

|                 | <b>Applications</b> | <b>Dollars</b> |                       |
|-----------------|---------------------|----------------|-----------------------|
| Total 2007/2008 | 507                 | \$ 210,951.76  |                       |
| Total 2008/2009 | 496                 | \$ 225,855.75  |                       |
| Total 2009/2010 | 598                 | \$ 281,145.65  |                       |
| Total 2010/2011 | 652                 | \$ 319,461.12  |                       |
| Total 2011/2012 | 668                 | \$ 342,329.39  |                       |
| Total 2012/2013 | 480                 | \$ 268,148.54  | <b>Not closed off</b> |

|                   | Average   | Maximum   |                       |
|-------------------|-----------|-----------|-----------------------|
| Average 2007/2008 | \$ 353.20 | \$ 500.00 |                       |
| Average 2008/2009 | \$ 395.72 | \$ 530.00 |                       |
| Average 2009/2010 | \$ 411.00 | \$ 550.00 |                       |
| Average 2010/2011 | \$ 435.40 | \$ 570.00 |                       |
| Average 2011/2012 | \$ 450.70 | \$ 580.00 |                       |
| Average 2012/2013 | \$ 520.55 | \$ 590.00 | <b>Not closed off</b> |

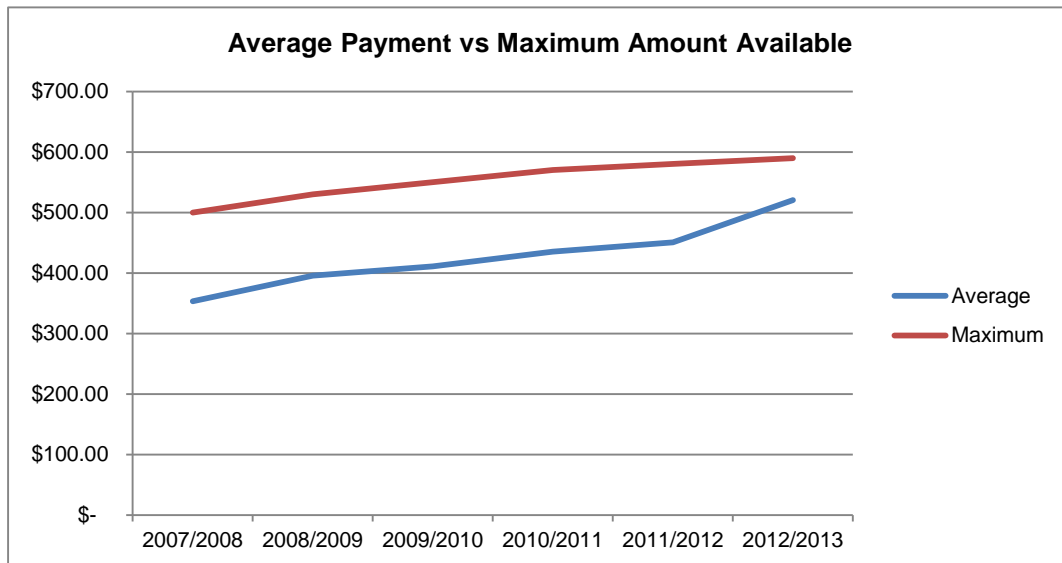


The above figure shows that the amount of dollars awarded as rates rebates, has risen relative to the number of applicants. Hence the average amount received by individual applicants will also have increased.





The above graph shows that all areas have followed more or less the same trend. We also see that Dargaville by far receives more rates rebates than the other towns. This may reflect Dargaville's greater population. However it may also suggest that there are more low income households in Dargaville.



The above figure shows that the maximum amount of money available as a rates rebate has been steadily rising together with the amount of the average rebate. What is interesting, however, is that the gap between the two has been narrowing which means that the number of people in the District who qualify for the maximum amount is increasing. This suggests the economic hardships faced by our people may be increasing. The fact that the number of applicants being granted rates rebates is also increasing suggests that not only are hardships becoming greater for those experiencing them, but the number of people in the District experiencing hardships is also increasing.

### **3.4 Customer Expectations**

#### **Absentee Ratepayers**

A key area which is concerning for the Kaipara district is how to recognise absentee ratepayers. Acknowledging that the absentee versus permanent proportions of ratepayers varies between our different communities, absentee ratepayers can make up a significant part of some communities in holiday areas, especially Mangawhai. These areas are important as they are those in which our District's growth is predicted to occur.

From the census data that is available the permanent residents in Mangawhai are usually:

- Low income
- Retired
- Shop workers
- Builders/plumbers/blue collar workers

It is expected that absentee ratepayers are usually:

- Aucklanders
- Mid/high level income earners
- Business owners
- White collar workers

It is also useful to acknowledge that the absentees will create different sorts of demands on Council services. They will often have different service level expectations and bring 'larger' numbers during the peak periods which puts different demands on our services.

How the District recognises absentee ratepayers has an effect on how the community perceives the amount of debt per capita. This means that the figure presented publically is somewhat inaccurate as it is normally worked out on the number of residents within the District on a certain day.

#### **Shared Services**

The current centre right government is transforming the public sector, including local government and is looking at ways for making savings. One way that the Kaipara could do this would be to look at shared services with other local authorities.

If one looks at shared services in a purest sense, having collaboration with another local authority could bring:

- efficiencies;
- a reduction in risk; and
- building better capabilities.

Kaipara already collaborates with Northland Regional Council to provide services such as civil defence planning and economic monitoring. Further shared services with other territorial authorities could help to develop economies of scale, the ability to streamline administrative functions and a more efficient use of capital equipment. Further potential benefits could include

cost savings, increased access to skills, improved strategic planning, improved service delivery and improved compliance with regulations and standards. *(Source: Local Government New Zealand, Shared Services for Local Government, June 2011)*

Internationally there appears to be an increasing trend towards shared services as a mechanism to reduce costs and improve services to citizens. However, we should not enter into shared service agreements without careful consideration first. Having shared services might have the perception of reducing costs, overheads and staff however there is little empirical evidence for this. With our Council having different operating systems to other local authorities there would also be a need to streamline and provide some capital investment to bring the systems up to the same standard and versions as other local authorities.

Also with the likelihood of redundancies occurring within the organisation, this would reduce the cost of any proposed collaboration in the short term. This is due to the staff who would be involved likely to have redundancy clauses within their employment contracts and would have been working at the organisation for some time.

It is important that a business case be developed for a shared service/collaboration proposal so that the costs and benefits are clear.

### 3.5 Physical

#### ***Roading***

The Kaipara district has one of the largest roading networks within New Zealand (~1,557 km), with a large proportion of these roads being unsealed (~1,121 km). Roothing presently comprises the majority of Kaipara District Council's annual budget. This is likely to increase as Kaipara's roading network is becoming increasingly more expensive to maintain. This is partly due to:

- the isolated, rural nature of much of the District and its difficult topography;
- unstable terrain combined with regular high intensity rainfall events;
- Scarcity and high costs of roading materials, typically aggregates;
- The reduction in the NZ Transport Agency's subsidy rate by 1 per cent per annum over the past two years (total of 2 per cent).

The extent of unsealed roads in the district is likely to remain unchanged over the foreseeable future as changes in NZ Transport Agency's (NZTA) priorities have made subsidised seal extensions almost impossible to attain.

Roothing maintenance requirements are likely to become worse as forestry volumes are set to increase with more forest stands reaching maturity. Ongoing conversion of pasture to forestry within the District means this increase will likely be sustained into the future. Increasing the number of heavy vehicle movements on our roads will have a greater effect in Northland than in many other parts of the country as the regions roads are made of a softer roading aggregate.

#### ***Rail***

Two rail lines pass through the Kaipara district; the Dargaville Branch and the North Auckland Line. Both primarily transport forestry products (logs and wood chips) though the North Auckland Line also carries tonnage from Fonterra's Dairy factory at Kauri. The contribution of rail in reducing heavy vehicle movements on our roads, and therefore lowering road maintenance cost and improving travel times, needs to be considered when assessing land transport in our region. It is therefore concerning that the whole of the North Auckland railway system is threatened with closure. Furthermore, the final 15 kilometres of the Dargaville Line is due to close soon with a new railhead to be established at Tangowahine. Closure of this section of the Branch will leave Dargaville without a rail service and will result in additional truck movements through Dargaville and on to Tangowahine. The line closure will, however, provide the opportunity to open a tourist operation out of Dargaville. A proposal is already being developed to reopen this 15km section of rail line as a rail-cruising tourist venture (such as is operating over the disused Rotorua Line). Alternatively it could be reopened as a vintage railway (similar to the Bay of Islands Vintage Railway at Kawakawa). In either case, Council should push to have the line mothballed rather than closed (have the rails left in place to allow for future use).

## ***Coastal***

Kaipara's coastal resources can be broadly grouped into three regions; the exposed west coast beaches, sheltered Kaipara Harbour and Mangawhai area. The west coast beaches are challenged by their remoteness and dangerous swimming conditions. These long, wide, continuous beaches also serve as roads; an activity which needs careful regulation in order to ensure the safety of all users and the environment.

The Kaipara Harbour is New Zealand's largest estuarine ecosystem and the largest harbour in the southern hemisphere. It has high ecological importance as a major nursery for commercial and recreational fish species, potentially affecting the fish stocks of much of the upper North Island's west coast. The key challenge facing the harbour is management of sediment and nutrients washing into streams and rivers across its 640,000 hectare catchment. The high sediment loads entering the harbour are causing it to become increasingly shallow and difficult to navigate. Better land use management is needed to slow the rate of infilling. There is also the opportunity to reduce the amount of nutrients entering the harbour by upgrading the sewerage treatment plants at Te Kopuru, Dargaville, Maungaturoto and Kaiwaka.

The Mangawhai area includes the Mangawhai harbour and surrounding open coast beaches. Pressures on this area from stormwater and recreational use are likely to increase as the area's population grows. Key issues will be managing the health of the harbour and the stability of the harbour entrance, as well as protecting the area's natural character from development pressures.

A key consideration for Kaipara District Council in managing its coastal resources is that the Government has recently extended its jurisdiction from ending at mean high water springs to ending at mean low water springs. This makes the Council responsible for activities on that part of the beach which is covered and uncovered by the tides each day. This may have implications for how vehicle use is managed on the beaches.

## ***Travel In/Out and Around District***

The People of the Kaipara district are largely reliant on private motor vehicles for transport. The rural nature of the District means that the distances people are required to travel in order to obtain the goods and services they desire can be large. The following table shows how the use of different modes of transport, used by people to get to work in the Kaipara, compares to other districts in New Zealand.

**Main Means of Travel to Work**  
for the Employed Census Usually Resident Population Count  
Aged 15 Years and Over, 2001

| Area                           | Main Means of Travel to Work |                          |                                   |                                   |                                               |            |
|--------------------------------|------------------------------|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------------------|------------|
|                                | Worked at Home               | Did Not Go To Work Today | Drove a Private Car, Truck or Van | Drove a Company Car, Truck or Van | Passenger in a Car, Truck, Van or Company Bus | Public Bus |
| Territorial Authorities        |                              |                          |                                   |                                   |                                               |            |
| Far North District             | 3,723                        | 2,094                    | 8,205                             | 1,581                             | 798                                           | 45         |
| Whangarei District             | 3,360                        | 3,480                    | 13,881                            | 2,946                             | 1,281                                         | 126        |
| <b>Kaipara District</b>        | <b>2,043</b>                 | <b>801</b>               | <b>2,772</b>                      | <b>546</b>                        | <b>282</b>                                    | <b>15</b>  |
| Rodney District                | 4,941                        | 4,347                    | 17,016                            | 4,569                             | 1,212                                         | 621        |
| North Shore City               | 6,594                        | 10,884                   | 48,621                            | 10,728                            | 3,594                                         | 5,223      |
| Waitakere City                 | 4,395                        | 8,469                    | 42,402                            | 8,484                             | 3,852                                         | 2,820      |
| Auckland City                  | 11,814                       | 17,622                   | 86,514                            | 15,924                            | 7,221                                         | 13,356     |
| Manukau City                   | 6,270                        | 11,934                   | 64,707                            | 12,186                            | 6,570                                         | 3,846      |
| Papakura District              | 1,212                        | 2,007                    | 9,711                             | 2,196                             | 867                                           | 390        |
| Franklin District              | 3,756                        | 2,643                    | 12,144                            | 3,003                             | 981                                           | 120        |
| Thames-Coromandel District     | 1,614                        | 1,386                    | 4,227                             | 1,008                             | 375                                           | 9          |
| Hauraki District               | 1,587                        | 735                      | 2,784                             | 591                               | 252                                           | 12         |
| Waikato District               | 3,576                        | 1,827                    | 8,025                             | 1,548                             | 576                                           | 114        |
| Matamata-Piako District        | 3,375                        | 1,434                    | 5,526                             | 1,137                             | 420                                           | 27         |
| Hamilton City                  | 2,751                        | 6,465                    | 27,894                            | 5,382                             | 2,406                                         | 795        |
| Waipa District                 | 3,258                        | 2,235                    | 9,222                             | 2,007                             | 636                                           | 72         |
| Otorohanga District            | 1,377                        | 399                      | 1,341                             | 318                               | 123                                           | 12         |
| South Waikato District         | 1,263                        | 993                      | 3,972                             | 936                               | 783                                           | 42         |
| Waitomo District               | 939                          | 480                      | 1,695                             | 369                               | 222                                           | 12         |
| Taupo District                 | 1,545                        | 1,812                    | 6,237                             | 1,650                             | 765                                           | 27         |
| Western Bay of Plenty District | 3,969                        | 1,995                    | 7,449                             | 1,572                             | 531                                           | 42         |
| Tauranga District              | 2,895                        | 4,938                    | 20,355                            | 4,560                             | 1,428                                         | 147        |
| Rotorua District               | 2,475                        | 3,195                    | 13,992                            | 3,339                             | 1,536                                         | 174        |
| Whakatane District             | 1,677                        | 1,665                    | 6,006                             | 1,215                             | 564                                           | 24         |
| Kawerau District               | 81                           | 321                      | 1,125                             | 123                               | 126                                           | 6          |
| Opotiki District               | 561                          | 333                      | 1,272                             | 237                               | 156                                           | 6          |

**Main Means of Travel to Work**  
for the Census Usually Resident Employed Population Count  
Aged 15 Years and Over, 2001

| Area                           | Main Means of Travel to Work |                            |         |                  |       |            |         |
|--------------------------------|------------------------------|----------------------------|---------|------------------|-------|------------|---------|
|                                | Train                        | Motor Cycle or Power Cycle | Bicycle | Walked or Jogged | Other | Not Stated | Total   |
| Territorial Authorities        |                              |                            |         |                  |       |            |         |
| Far North District             | 15                           | 219                        | 168     | 1,248            | 135   | 1,233      | 19,464  |
| Whangarei District             | 18                           | 243                        | 354     | 1,233            | 126   | 969        | 28,023  |
| Kaipara District               | 3                            | 207                        | 75      | 393              | 45    | 294        | 7,479   |
| Rodney District                | 39                           | 237                        | 162     | 1,101            | 186   | 975        | 35,403  |
| North Shore City               | 63                           | 426                        | 729     | 2,787            | 1,758 | 2,397      | 93,807  |
| Waitakere City                 | 579                          | 390                        | 717     | 1,734            | 432   | 2,754      | 77,037  |
| Auckland City                  | 567                          | 762                        | 2,208   | 9,252            | 1,863 | 7,218      | 174,321 |
| Manukau City                   | 771                          | 384                        | 807     | 2,589            | 981   | 6,045      | 117,084 |
| Papakura District              | 318                          | 66                         | 168     | 597              | 81    | 645        | 18,258  |
| Franklin District              | 99                           | 198                        | 159     | 849              | 96    | 849        | 24,891  |
| Thames-Coromandel District     | 6                            | 120                        | 243     | 792              | 54    | 513        | 10,353  |
| Hauraki District               | 3                            | 171                        | 126     | 513              | 21    | 264        | 7,059   |
| Waikato District               | 15                           | 363                        | 195     | 696              | 72    | 768        | 17,766  |
| Matamata-Piako District        | 12                           | 381                        | 243     | 858              | 57    | 492        | 13,962  |
| Hamilton City                  | 39                           | 528                        | 2,106   | 2,883            | 279   | 1,554      | 53,079  |
| Waipa District                 | 6                            | 354                        | 279     | 840              | 66    | 576        | 19,548  |
| Otorohanga District            | -                            | 216                        | 42      | 237              | 27    | 222        | 4,311   |
| South Waikato District         | 6                            | 237                        | 294     | 657              | 27    | 339        | 9,552   |
| Waitomo District               | 3                            | 144                        | 48      | 333              | 33    | 204        | 4,479   |
| Taupo District                 | 15                           | 240                        | 261     | 816              | 57    | 633        | 14,052  |
| Western Bay of Plenty District | 9                            | 198                        | 144     | 588              | 54    | 624        | 17,178  |
| Tauranga District              | 21                           | 372                        | 1,032   | 1,356            | 177   | 1,206      | 38,493  |
| Rotorua District               | 21                           | 321                        | 687     | 1,269            | 147   | 1,164      | 28,326  |
| Whakatane District             | 9                            | 216                        | 414     | 786              | 42    | 573        | 13,191  |
| Kawerau District               | 3                            | 39                         | 108     | 153              | 6     | 126        | 2,217   |
| Opotiki District               | 3                            | 57                         | 45      | 213              | 15    | 189        | 3,090   |

Source: Statistics New Zealand

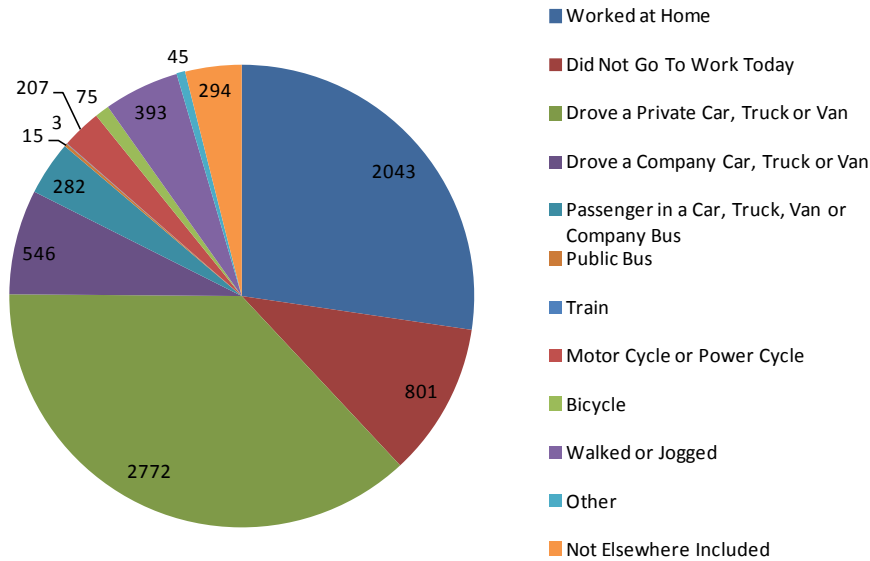
The following table gives a breakdown of the modes of transport used to travel to work in the different areas of the Kaipara District in 2006.

| Means of Travel to work - 2006 Census     |                  |           |                 |          |            |              |        |        |               |           |                 |
|-------------------------------------------|------------------|-----------|-----------------|----------|------------|--------------|--------|--------|---------------|-----------|-----------------|
|                                           | Kaipara District | Te Kopuru | Kaipara coastal | Maungaru | Dargaville | Maungaturoto | Ruawai | Kiwaka | Rehia-Oneriri | Mangawhai | Mangawhai Heads |
| Worked at home                            | 1770             | 12        | 408             | 336      | 120        | 24           | 18     | 27     | 708           | 69        | 51              |
| Did not go to work today                  | 849              | 21        | 120             | 60       | 177        | 42           | 15     | 33     | 276           | 45        | 66              |
| Drove a private car/truck/van             | 3297             | 93        | 501             | 309      | 840        | 189          | 78     | 102    | 861           | 147       | 180             |
| Drove a company car/truck/van             | 762              | 12        | 102             | 54       | 207        | 60           | 12     | 24     | 204           | 39        | 48              |
| Passenger in car/truck/van or company car | 330              | 6         | 48              | 21       | 129        | 30           | 9      | 15     | 57            | 9         | 9               |
| Public Bus                                | 9                | 0         | 0               | 3        | 0          | 0            | 0      | 0      | 3             | 0         | 0               |
| Train                                     | 3                | 0         | 0               | 0        | 0          | 0            | 0      | 0      | 0             | 0         | 0               |
| Motor cycle or power cycle                | 246              | 3         | 90              | 45       | 6          | 3            | 3      | 3      | 93            | 0         | 0               |
| Bicycle                                   | 57               | 0         | 9               | 3        | 36         | 3            | 3      | 0      | 3             | 0         | 0               |
| Walked or jogged                          | 429              | 6         | 48              | 30       | 165        | 24           | 21     | 15     | 90            | 12        | 18              |
| Other                                     | 39               | 3         | 6               | 3        | 3          | 0            | 3      | 3      | 24            | 0         | 0               |
| Not elsewhere included                    | 570              | 18        | 114             | 60       | 111        | 15           | 18     | 9      | 180           | 21        | 24              |
| Total main means of travel to work        | 8361             | 174       | 1446            | 924      | 1794       | 390          | 180    | 231    | 2499          | 342       | 396             |

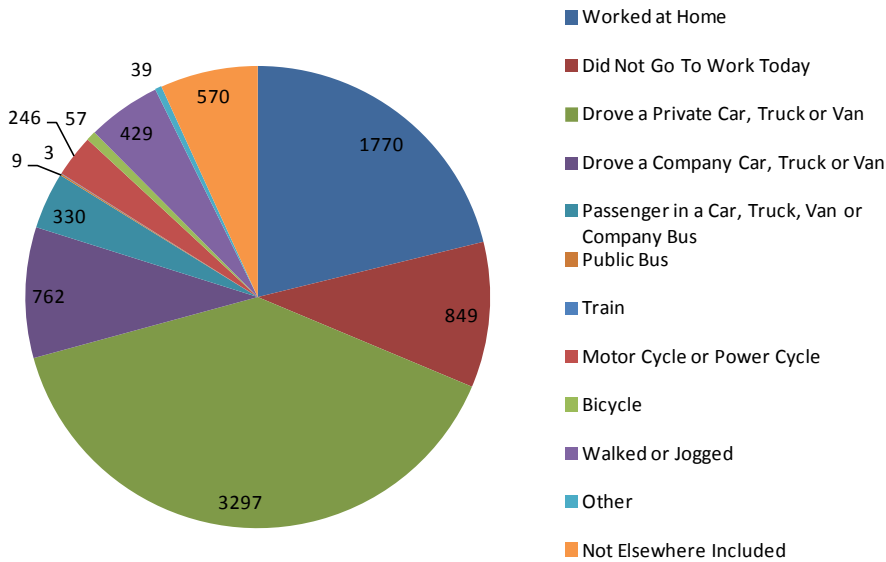
The following two figures compare how use of different modes of transport, to get to and from work, in the District has changed from 2001 and 2006. The figures show that the majority of people in the District use private motor vehicles to get to and from work each day. Interestingly this percentage is closely followed by the number of people who work from home. The percentage of those working from home may be a reflection on the many farmers and rural workers in the District.

Between 2001 and 2006 the number of people working from home declined while the number of people driving to work increased. The reason for this change is not clear. It could be because the number of people employed in the farming industry has declined; possibly in response to improving efficiencies allowing more work to be done with fewer staff. Alternatively it could be because more people who formally derived their whole income from their farms now have to subsidise their income by seeking additional employment off the farm.

Main means of travel to work for people in the Kaipara district in 2001.



Main means of travel to work for people in the Kaipara district in 2006



The following table shows that 138 people lived in the Kaipara District and worked in Auckland in 2006. The figure below shows that this number is increasing; rising over 40 per cent from 1996 to 2001 and over 40 per cent again from 2001 to 2006. This may be due to improvements in the roading network and the continuing centralisation of our nation. The growing desire of many people to live in the country, despite being employed in the city, may also be a contributor. In either case this trend looks set to continue. This may be beneficial as it will result in more people paying rates and purchasing goods and services in our district with money earned outside the region.

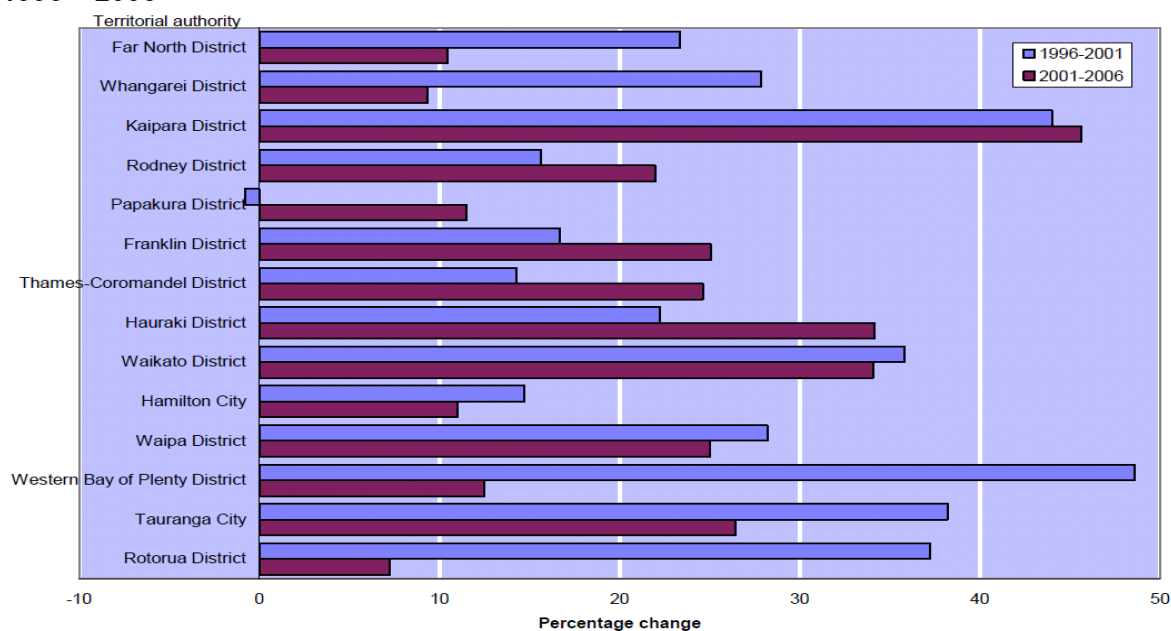


**Table 2**  
**Numbers of People Who Listed their Workplace Address in One of the Four Cities of Auckland, for selected territorial authorities, 2006**

| Usual residence                | Number of Employed population that listed an Auckland city as a workplace address |                |               |              |                 |
|--------------------------------|-----------------------------------------------------------------------------------|----------------|---------------|--------------|-----------------|
|                                | North Shore City                                                                  | Waitakere City | Auckland City | Manukau City | Total, Auckland |
| Far North District             | 36                                                                                | 12             | 108           | 42           | 201             |
| Whangarei District             | 60                                                                                | 36             | 174           | 51           | 321             |
| Kaipara District               | 33                                                                                | 9              | 72            | 24           | 138             |
| Rodney District                | 6,822                                                                             | 1,701          | 5,706         | 624          | 14,856          |
| Papakura District              | 177                                                                               | 84             | 3,891         | 5,079        | 9,228           |
| Franklin District              | 171                                                                               | 99             | 3,117         | 3,720        | 7,110           |
| Thames-Coromandel District     | 21                                                                                | 12             | 105           | 60           | 195             |
| Hauraki District               | 15                                                                                | ..C            | 57            | 48           | 123             |
| Waikato District               | 30                                                                                | 21             | 261           | 234          | 546             |
| Matamata-Piako District        | 9                                                                                 | ..C            | 36            | 21           | 69              |
| Hamilton City                  | 75                                                                                | 24             | 345           | 126          | 573             |
| Waipa District                 | 24                                                                                | 9              | 84            | 39           | 156             |
| Western Bay of Plenty District | 15                                                                                | 9              | 72            | 24           | 120             |
| Tauranga City                  | 60                                                                                | 27             | 195           | 78           | 363             |
| Rotorua District               | 27                                                                                | 15             | 81            | 39           | 165             |
| Hastings District              | 21                                                                                | 12             | 72            | 9            | 114             |
| Napier City                    | 18                                                                                | 6              | 60            | 15           | 105             |
| New Plymouth District          | 18                                                                                | 12             | 66            | 24           | 117             |
| Palmerston North City          | 48                                                                                | 12             | 66            | 24           | 153             |
| Lower Hutt City                | 27                                                                                | 15             | 141           | 24           | 204             |
| Wellington City                | 63                                                                                | 24             | 351           | 45           | 483             |

Source: Census of Population and Dwellings, 2006.

**Change in number of people listing a workplace address in the Auckland metropolis 1996 – 2006**



Source: Census of Population and Dwellings, 1996, 2001, and 2006.

According to Statistics New Zealand, those who commute to larger centres from other regions are typically professionals rather than labourers, as professionals have greater flexibility in their hours of work and have higher incomes, thus giving them greater freedom as to where they live. Such professionals may also find the job market for people in their profession to be limited in their local area, requiring them to seek employment in the larger centres.

Understanding how people move around our district is important for understanding how infrastructure requirements may change. Roothing upgrades must be anticipated and allocated only to those areas that require them.

## ***Environmental Standards***

### *Wastewater*

The Council operates wastewater treatment facilities at Mangawhai, Kaiwaka, Dargaville, Maungaturoto, Glinks Gully and Te Kopuru. The Kaiwaka system may need to be upgraded or replaced to deal with the impacts of growth in the area. The Dargaville plant is sufficient to serve the town provided its population does not show a major increase. The Dargaville plant is also to receive effluent emptied from the holding tanks at Baylys' Sunset West Subdivision. At the present time the Glinks Gully system cannot be upgraded to service the remaining beachfront properties due to limitations in the capacity of its effluent field.

There is the concern that environmental standards may be improved and hence resource consents for some of our existing operations may not be renewed. This has already affected the Maungaturoto scheme, which required the installation of a membrane filtration plant before the resource consent could be renewed. If this occurs for other treatment schemes in our district, expenditure on wastewater will have to be increased. Plants at risk include Te Kopuru, Dargaville, Maungaturoto and Kaiwaka

### *Drinking water quality*

The Council supplies water to the communities of Maungaturoto, Ruawai, Dargaville (including Baylys) and Glinks Gully as well as a smaller scheme servicing parts of Mangawhai. The Dargaville water pipe network is set to require a large-scale overhaul with much of the pipe network needing replacement. The other schemes are considered to require only minor upgrades, maintenance and monitoring.

A further consideration is that the Drinking-Water Standards for New Zealand have been revised. The Drinking-Water Standards for New Zealand 2005 (Revised 2008) are now in force, however drinking-water suppliers may elect to comply with the Drinking-water Standards for New Zealand 2000 until 31 December 2014. This may be an issue for the District as it may require improvements in water treatment facilities.

### *Renewable energy*

The lack of reliable electricity supply in Northland is a major limitation to industry in the region. Hence there is a great need for local generation of electricity to prevent the risk of black outs. The Kaipara district is fortunate to have the opportunity to develop renewable energy resources. These include opportunities for wind farms at Glinks Gully (Red Hill), Rototuna (Pouto Peninsular) and Pouto. The Pouto project may include around 200 to 220 large turbines and generate up to 300 megawatts of electricity.

The District also has the opportunity to develop tidal power. Crest Energy Limited has consent to develop a tidal power station in the mouth of the Kaipara Harbour. This will comprise of up to 200 completely submerged turbines with a maximum generating capacity of around 200 megawatts. Crest Energy estimates this will generate sufficient power for an area from Albany to Cape Reinga.

Increasing electricity generation within the region will allow for expansion and establishment of major industries such as sawmills, wood processing plants and dairy factories in the District. This in turn will raise employment and bring prosperity to our district.

### **3.6 Technical**

Please see attached map.