

TE RUNANGA O NGAITAKOTO CEO MANAGEMENT REPORT 13 MAY 2016 – 26 AUGUST 2016

Tena koutou, this Management Summary Report covers the activities and actions of the organisation over the past period May 13th 2016 – 26 August 2016.

In the previous 3 month period, work continues to be progressed on a number of fronts. Many of those activities continue to be mainly administrative and carry over tasks from our settlement outcomes being transitioned across to NgaiTakoto and or building upon existing work streams that require ongoing work and or completion. (See updated Management Work Task Programme August 2016 attached)

Work continues with the ongoing need to progress the detail and development of the NgaiTakoto Post Settlement Governance Entity (PSGE) and our own *“Future Proofing the NgaiTakoto Iwi”*.

We also continue with our participation in the wider Te Hiku and Taitokerau Economic / Iwi strategies and more recently the National Iwi economic strategy as identified in my last Board Management Report.

This Management Report highlights and summaries the activities and various work stream tasks that have been undertaken over this last 3 month period, by the Board and Operations. The Work Task Programme is as per below:

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Work Task 1: CROWN: Continue Negotiations with (a) Te Hiku Forum & (b) The Crown to achieving post Settlement Legislation outcomes.

- **Aupouri Forestry Working Party - Objective:** Transfer of Te Hiku Forest back to a Management entity of x4 Iwi, linking back into the NgaiTakoto PSGE and maintaining our position on NgaiTakoto land ownership (mana whenua process)
- Indufor Report completed on Aupouri Forest cost \$50k
- Meeting scheduled with Summit Forests Ltd 30 August 2016 points for discussion: see attached forestry meeting agenda summary for the purposes of a Forestry Partnership with Te Hiku Iwi.
- Taitokerau Maori Forestry Strategy: Increase of forestry lands available to collective 20,000 ha – Te Hiku. Total Taitokerau strategy 53,000ha
- Partnerships with: Summit Forests Ltd, SCION, Totara Wood project, NorthTec, Northland college Forestry school, Northland Wood Council, Iwi, Hancocks, Summitt Forests Ltd, Rayonier / Matariki Forests, PF Olsen, Northland Forest Mangers, NZ Farm Forestry Association, NZ Wood Processors and Manufacturers

- **Te Oneroa A Tohe Beach Board - Rangitane.**
Objective: Transfer of Te Oneroa A Tohe to a Statutory Governanace entity of x4 Iwi - Councils, linking back to the NgaiTakoto PSGE and maintaining our position on NgaiTakoto land ownership / management.
- Progress: To be driven within the revised Te Kupenga Leadership structure, under: Environmental.

- **Te Hiku Conservation Board - Rangitane**
- Objective: Establishment to a Statutory Governanace entity of x4 Iwi - Doc, linking back to the NgaiTakoto PSGE and maintaining our position on NgaiTakoto land ownership / management.
- Progress: To be driven within the revised Te Kupenga Leadership structure, under: Environmental.
- Redrafting of Roles Functions and Responsibilities.
- Election of Co Chairs – Iwi Led.
- Develop Conservation Management Strategy Iwi – Crown (Korowai)
- Lease Agreement conversation in regards to the Kaitaia Airport are to commence with LINZ / FNDC Council.

Treaty Settlement Land Title transfers; Crown to Te Runanga O NgaiTakoto Trustees – Custodial Trustees.

- Objective: Numerous title deed signings for land title transfers to TRONT.
- Implementation of Custodial Trustees role, Toko Kapea / Craig Wells for future signing requirements, reduces document replications.
- Objective: Review ongoing progress on settlement outcomes/ title / land transfers (see white Board for progress).
- Discussions are being had with Graham Nathan regarding the 35 acres of land at Waimanoni. Land is to be valued by TRONT – Northland Valuers and discussions will commence on receipt of that assessment.

FNDC- NgaiTakoto Lands of Significance Negotiations:

- No real progress has occurred to getting these matters sorted in 2016, apart from a meeting with the Community Board.

***Work Task 2: PSGE:** Form a tribal authority (Post Settlement Governance Entity that majority stakeholders understand and agree to it as the best option. This is likely to include cultural, organisational, and structural changes to how NgaiTakoto operate now. Develop a Commercial and Charitable Trust component to the structure and a strategy and works programme within those portfolios: Scholarships, Property Management, and Assets.*

Transition to NgaiTakoto Post Settlement Governance Entity (PSGE) Te Runanga O NgaiTakoto

The bulk of this work has been completed with the drafting of Deeds / Constitutions residing with our legal team. The alignment of the structures to our NgaiTakoto *Future Proofing the Iwi 2046* strategy and our work continues to progress the development of the structure of the proposed PSGE to make sure that it meets the needs of its intended purposes. This work still includes:

- Overall Investment Policy / Strategy - by MyFiduciary 360, Consultant – David Cairns.
- Intended Management Agreement between Governance and Corporate. (Tuia Group)
- Distribution Trust (Tuia Group)
- Management & Operations link.

The timeframe for achieving a ratification of the PSGE for 2016 is not possible given the amount of current, ongoing, and future work requirements around building future NgaiTakoto capacity and capability, ongoing transitioning of assets (land titles) and securing future business relationships (Sweetwater Farms / Aupouri Forest) and the collective iwi relationships (Beach Board / Te Hiku Conservation Board / Korowai)

I am seeking a further timeframe push out to potentially July 2017 and or November 2017 to get the finalities bedded down fully, before we go to a final ratification of the total NgaiTakoto Settlement Structure.

1. Support from the Board is required for this proposal.
2. A series of claims updating hui will be convened through-out October, November 2016 and support for the extension to 2017 will be sought from our NgaiTakoto members.

Work Task 3: VISION and PURPOSE: *Within the structure of the PSGE refine and clarify our scope of business, vision and purpose, and core values. Create an organisation and develop capabilities that reflect our people and place in Te Hiku, Aotearoa, the world.*

This process is about the beginning of engaging our young members in a succession strategy that underpins the 20/40 strategy of “Future Proofing the NgaiTakoto Iwi” to engage with and allow them to participate in shaping the NgaiTakoto future and how the vehicle (PSGE) might best serve to help get them there.

It also prompts thought as to what their role and input is, in the future direction and leadership of NgaiTakoto, and what that should look like. Initiatives that have been started to progress this engagement and ongoing hui will be undertaken over the coming 8 months to develop that NgaiTakoto 20 year strategy.

Outcomes: Succession / Planning weekend, see attached documents pertaining to weekend kaupapa and outcomes to date.

Work Task 4: OPERATIONS: *Continue to maintain our Administration, Management Operations, develop clear governance roles and build people capacity internally and external to the business. Identify external expertise and specialist roles.*

The work of our Office Administration / staff continues to be invaluable given the multiple roles and responsibilities that are required at any given time to progress through the post settlement process and the required work activities that come with post settlement legislation, and Iwi activities,

Office Upgrade: pending - Quotes for interior painting,
Instillation of Sliding Entrance doors, (installed)
Air Conditioning Units (installed).
Power Meter Upgrade Completed (fine tuning power costs)
Upgrades to our IT capacity and providing back up systems.

Administration Support Contracts (Funding) –
Early Childhood Whakatipu A Nuku – Toka Tu Moana.
E Tu Whanau. – Community sponsorships:
Marae stay x3 days: 1ST Nations Basketball Team \$700.

Matariki Talent Quest Te Rangi Aniwanuiwa \$1000.

The NgaiTakoto Business Plan Te Ara Hapara 2013 - 2016

The Te Ara Hapara Business Plan continues to remain as the foundational basis for driving our organisations operations goals in a planned, and structured way. A review of the Business Plan and it's objectives / timeframe's, clearly identifies that we are on track to achieving those work activities and tasks described within that report.

Review of Te Ata Hapara Report past 20/20 Year Strategy. Previous 17 year review and update in preparation for the "*Future Proofing the NgaiTakoto Iwi*" 2040, strategy

Financials - Budget:

Audit

- A Financial audit assessment of the period 2013 - 2015 is still being undertaken with our Accountants Sumpter Baughen of Whangarei and Inland Revenue.
- The complexities of transitioning from a negotiations entity, to a settlement structure, (PSGE) still requires some work to make sure that the transition is flawless.

Bank of New Zealand Treaty Settlement Accounts Update: Accounts held with BNZ (Period to: June 2016)

BNZ Financial Summaries: (Attached) x2.

Operational Financial Budget 2016 - 2017:

The budget for 2015-2016 had been approved at \$1.2mil given the complex legal and professional advice costs required to transition the settlement assets back into the NgaiTakoto PSGE structure. That budget also included Operational and Governance cost as well as scholarships and distribution to members.

TRONT Budget breakdown: 2015-2016 (summary attached).

Future Budget Requirement: Complete the Settlement process through to completion, being;

1. Parlimetary Legislation – Asset Transfers – (Specialist Funding)
2. Te Runanga O NgaiTakoto (PSGE) – Mandated and Ratified
3. Operational / Administrative costs.

Budget for 2016 – 2017 period to be produced for Board approval by September 20th 2016.

Work Task 5: COMMUNICATIONS: *Continue to improve our Communications to effectively engage and inform our people so they are inclusive in our shared vision and ongoing development.*

NgaiTakoto Communications Strategy

Our Communications Strategy remains in place to Inform, Educate and Include our members in the Runanga operations and business, in particular, key decision area's that require member feedback and participation.

There has been a decision to create one single NgaiTakoto Panui that populates both NgaiTakoto Australia and NgaiTakoto stories and information's, so that our people see the NgaiTakoto activities occurring on both sides of the Tasman, in one place. Awhi is currently working with Pat Karipa to achieve that.

IT / Website

Our IT upgrade is continuing and further technology upgrades to enhance the system's functionality and greater capacity is occurring. At present increasing and developing an overall back up system is happening with staff training on the system, taking place in October.

Membership Database

This remains an ongoing process for gathering member registrations and identifying our membership numbers.

Membership registration numbers are presently at 2,283 registered with a further 360 registrations being sorted.

Work Task 6: BENEFICIARIES/MARAE: *Continue to increase our Marae beneficiary registrations, participation and decision-making. Develop individual Marae vision, project plans & budgets. Create a model that supports their growth and membership knowledge*

Beneficiary Educational Scholarships:

Te Runanga O NgaiTakoto offers 7 Core specific Board Scholarships and we still encourage all interested students to have a conversation with the team at the office around available scholarships.

Scholarship applications approved to date: see attached.

NgaiTakoto Collective Membership Benefits Proposal

The following proposed member's benefits are currently being scoped and explored and it is our intention (subject to budget affordability) to being made available to our whanau registered with Te Runanga o NgaiTakoto, from February 2017. (Pushed out from July 2016)

These may include:

New Baby Kete – initial Start Up Support (Parents)

- \$\$ worth of new baby essentials from Baby Factory
- Kohanga Start – New Entrance
- Branded NgaiTakoto back pack, stationary, and lunch box for our pre-schoolers,
- Kura Pack – Stepping Up
- Off to school pack containing NgaiTakoto branded school bag, stationary, lunch box, raincoat and shoes for all tamariki starting off to school.
- Kuia/Kaumatumua Assistance
- Financial assistance/ subsidies for kaumatumua and kuia who need glasses, hearing aids, or medical alerts.
- Tangihanga Support – Reducing Costs.
- Grant to support Tangihanga for our registered NgaiTakoto whanau who return to our NgaiTakoto Marae. Grant contributes to 3-day Marae costs.
- Other ideas include:
- Marae hapu / Annual Christmas Dinner.
 - Drivers Licence – Reimbursements
 - Children / Savings scheme (BNZ)
 - Free Camping – Rarawa Beach – Tapotapota
 - Discounted Accommodation – Waipapakauri Beach Park
 - Business Discount Card, BNZ loans, Beaurepairs etc

Sponsorships:

Two forms of sponsorships have been given out for the period 2016 from the E Tu Whanau fund surplus that we have. (No funds expended from the settlement finances)

Board Grants however may continue to be made to relevant NgaiTakoto projects where warranted, on a case-by-case basis. (Marae etc)

Rebuild project at Kaimaumau going well, with the toilet block rebuild commencing, budget spend to date: \$12,100.22.

Discussions being had with other NgaiTakoto Marae committee's about their specific needs, but no real progress in those areas to date.

Work Task 7: ENVIRONMENTAL: *Develop an environmental vision, strategy and works programme to support, protect and sustain our environmental assets, land and cultural environments.*

Environmental Management Activities:

Projects falling into requiring environmental engagement & management include:

- Dunes – Lakes Restoration Project – Launch of project 31st August 2016
- Motutangi Drainage Project
- Kaimaumau Peat Extraction proposal- Resin Wax Ltd
- Water Bore Monitoring – Sweetwater Farms

- Lake Ngatu – Restoration Project Stage 2 – Drainage issues.
- Te Hiku Conservation Board – Korowai
- Te Oneroa A Tohe Beach Board. (Beach Management Plan)
- NgaiTakoto Environmental Management Plan (in draft)
- Drone Purchase. Land Use, Mapping, using technology to our advantage.
- Water Assessment Project Kaimaumau - Opus
- Pipiwaharuroa Hikoi - Kaumatua / Kuia, Lake Ngatu. September 14th 2016. (NgaiTakoto / Healthy Homes / DOC)

Work Task 8: RELATIONSHIP ALLIANCES: *Develop and strengthen the structure and working relationships with collective Iwi organisations, co governance arrangements and within the wider political, regulatory and social-economic environment.*

Sweetwater Farm: Landcorp, NgaiTakoto, and Te Rarawa Joint Venture Farming Proposal.

Progress is continuing, with iwi discussions with Landcorp as to the future of the farm as a joint venture business, and the future of the farming relationship with NgaiTakoto.

Discussions are also yet to be had about the development of a red meat strategy (Beef / Sheep) to compliment the dairy platform that currently operates on the farm and whether that is a sole business unit opportunity for NgaiTakoto utilising dairy Unit 3 run off area.

The future of the farms potential is enormous, however its been agreed that the future strategy of farming is only one aspect of an opportunity for NgaiTakoto, as the diversification of our land and business asset portfolio's and potential opportunities, are quite diverse and we need to consider how we bring all of that into **one business area and plan for NgaiTakoto.**

“Future Proofing the NgaiTakoto Iwi” and its People and the 20/40 strategic plan is where the merging and consideration of those future opportunities will occur.

(Refer summary attached)

Mekerene Farm (Kaimaumau)

At present the Mekerene block situated in the heart of the Kaimaumau / East Beach area provides us with potential future business opportunities.

Discussions over the last period are continuing to be had with various parties who are interested in the opportunities that the land could be used for, these include:

- Advocado's (proposal) – King's Advocados.
- Honey, (Hive placement and Manuka planting) – Ian Broadhurst.
- Peat extraction (Resin / Wax), - John Cunningham Resin Wax Ltd

Beehive placements onto the land have been agreed to with Ian Broadhurst and he will also take responsibility and bear the costs of access / track clearing for hive placements with an agreed to rental for NgaiTakoto @\$55.00 per hive.

- Issues with hive placement on the block by Haines Honey Ltd have been resolved and they will be restricted to the Doc Conservation area only.
- Conversation to be had with DoC over the concession allocation, and its confusion to future concession owners (NgaiTakoto).

Resin Wax Ltd are still conducting soil sampling for testing in NZ and overseas re product quality and viability.

Meeting with Resin Wax & Northland Regional Council on 22nd July to progress Resource consent applications. The council were considerate and favourable to the NgaiTakoto overall strategy for the area, and see immense value in our proposal for business, environmental balances. Concerns from the reports are that “to do nothing with the land, is far worse than doing something on it”.

Resource consent application is likely to commence in September to progress the first stages.

MPI - Horticulture Project. A potential opportunity for NgaiTakoto to lead out a NgaiTakoto / Te Hiku Horticulture strategy through the Honey / Avocado relationship with Ian Broadhurst and our desires for development of the land block.

An application for funding has been sought via MPI / TPK to link this NgaiTakoto initiative as a catalyst for developing the whole Te Hiku region.

Interim feedback is, that MPI are willing to fund the development of a business case as well as the personnel for such a project. Natasha Clarke (MPI) is progressing the application on our behalf.

MPI have funded an initial Water Bore Application process (copy attached) to identify and track the process by which water applications are made to local government (Councils)

90 Mile Holiday Beach Park

The intention is to allow the business to continue to operate in its current form, whilst we explore potential expansion and tourism business opportunities for the future. Work Tasks to-date:

- Insurance Assessment - Northland Valuers completed an insurance assessment for AON Insurance to the sum of \$3.078mil.
- Builders Report – Completed - Discussions with Eddie Marsden as building maintenance manager for NgaiTakoto properties.

- Maintenance programme to be developed as per builders report and scoping conversation with potential builders, and painters – underway.
- Business has substantially expanded with the Bar / Restaurant / facilities upgrade and more events being held on site.
- Consideration for future business ownership buy-out.

Kauri Log Extraction:

- Consideration being given to a NgaiTakoto Te Roroa / Aupouri joint venture
- Site visit with Opus and MPI conducted to Sweetwater farm Kauri project.
- Potential to extract further logs on the farm to supplement income.

The Te Hiku Iwi Development Trust (THIDT)

Continuing to make slow progress with the Te Hiku Social Accord, in progressing a number of projects in the **Education / Safety and Respect** (Justice) and **Economic Development** development areas as the iwi collective has been focussed on the realignment to the new overarching Te Kupenga structure. The THIDT will disband from its current form and become a subset group alongside Culture and Heritage, Environmental, and Economic Development.

It has been proposed that the remaining funds, (approx \$650k from \$800k) is reallocated back to the respective iwi, to manage ourselves administratively, going forward.

The return of this funding requires a Board discussion and recommendation.

Aupouri (Te Hiku) Forest.

There are a number of tasks required in order to complete our obligation with the Crown for the forest's transfer. This work has commenced with the drafting of:

- Forestry Management Agreement between the x4 iwi not yet completed.
- \$2.7mil of Crown Forest Rentals (NgaiTakoto share) banked with BNZ 2015.
- Approximately \$650k of Annual Rental per year – x4 Iwi share.
- NgaiTakoto discussions with Summit on museum building use, hive placements in forest (\$ rentals), use of sheds for honey operations (\$ lease),

Iwi / Maori Economic Development

The bigger picture economic opportunities are ongoing and are continuing to be progressed within the Individual Local and Regional Iwi collective space,

for developing and growing the Maori economy and building economic scale of our key primary industries and their potential within Northland, with a long term Maori strategic plan focus. Forestry – Taitokerau Maori Forest Collective, projects in action:

- Farming – Dairy / Red Meat (Beef / Sheep) Collective, awaiting on funding for Project manager from MPI.
- Farming / Forestry Training School Project (Northland College)
- Under-utilised land – Scoping reports identifying better land use opportunities. SCION / National Land & Water Challenge.
- A national Iwi economic conversation will start in Wellington on the 26 May 2016 led out by Tainui – NgaiTahu.

Iwi Leaders: Te Kupenga O Te Hiku O Te Ika.

Initially known as the Te Hiku Forum, the new group structure (Te Kupenga O Te Hiku O Te Ika) comprises the Chairperson, CEO, and Asset Managers of each of the Iwi who will meet on a regular basis to work towards building collaboration and better working / Business relationships between our respective Iwi.

Work to progress to a formally agreed arrangement of the structure and how it will operate is to be ratified by each Iwi, followed by the appointment of a General Manager, by November 2016.

An alignment of: Economic Development, Environmental Management, Culture and Heritage, Social Accord, Communications, will be managed out of that structure.

National Iwi Chairs Forum

NgaiTakoto continues to be represented in this forum who meet on a quarterly basis to discuss matters of national importance to Iwi / Maori. Current national topics at this time still continue to be: Trade and Economic growth, Climate change, Water rights, Modernisation of CYFS.

Conclusion,

Overall there is little change in the reporting of information and this is expected as the transition from settlement to post treaty settlements remains and ongoing process by which we as NgaiTakoto need to grasp to it fullest extend in order to bed down, the foundation on which to build future NgaiTakoto opportunities, and long term strategies.

It's also a very challenging and busy "moving forward" space as we do business with other parties, and whether they truly understand the changing times ahead and in that, NgaiTakoto will lead for NgaiTakoto, and our future

aspirational goals, will be determined by us, for us, so that rangatiratanga becomes just that, and not business as usual as some continue to think, which includes our other iwi partners.

The future times will be exciting, challenging and require innovation, discipline, and sound decision making, which change requires.

I look forward to us moving into those times.

***Rangitane Marsden, ONZM
CEO, Te Runanga O NgaiTakoto***