

Report to Board Of Trustees Meeting - Te Runanga-a-iwi-o-Ngapuhi

From: Raniera T (Sonny) Tau - Chairman

Date: 28 August 2015

Subject: Te Runanga-a-iwi o Ngapuhi Board Report

Tena Tatou Katoa

The last six weeks have seen another huge workload for both operations and governance with preparations for our AGM well underway. Even though this has consumed a lot of time, one needs to find time to address necessary tasks to keep the Runanga going. Grateful to the CEO for his workload as well as my Deputy, Trustee Dodd who has managed to pick up a bit of my workload. The AGM accounts are looking great and we look forward to locking these down with the Auditors.

The period leading up to this meeting has been full on as we look to settle in Festival 2016 and ensure all is on track to achieve not only a great festival outcome but also capture the sponsorship to enable us to be cost effective in that undertaking. It will be huge and with sponsorship tight, it will be a challenge getting this over the line.

Loan Facility of \$400,000 To TIMA

- You will all be aware that when we set the Budget for the entire Te Runanga-a-iwi o Ngapuhi operations for 2015/16 we set a deficit budget as follows;
 - a. *Operations* \$285,765.00
 - b. *CAPEX* \$143,200.00
 - Total deficit* \$482,965.00**
- We also agreed to make available a loan facility for TIMA of \$400,000.00 - *down from the year before set at \$500,000.00*
- Even though the Board has signed off this budget, we still need to get clearance from NAHC for this amount, total being **\$882,960.00**
- There has been discussion about this at TIMA Board level as TIMA look for certainty in budgets going forward
- I can say that even though the Crown has made an allowance of \$6.1M to complete the settlement process, this will never be enough to match the fighting fund that the Crown has at its disposal
- The drop down of money tranches is of course controlled by the Crown and TIMA are currently in discussions about accelerating this process
- The CEO and I took this matter to the NAHC Board on 24 August for discussion
- NAHC will look at this in depth and seek clarity about its purpose and get back to us in the near future
- We spoke about the current loan agreement deed and how it says that the loan will be repayable on demand

- Directors of NAHC felt that this could make TIMA technically insolvent if called upon to action repayments
- Directors of NAHC suggested a re-wording to tie payback to an end result or settlement figure
- Will talk about that with TIMA board

Top Energy Resource Consent

- Top Energy is the power generating company operating a 25KHW power generation plant at Ngawha
- They have made application to the environmental court for resource consent to double their output capacity in an expansion scheduled for the next few years
- Parahirahi C1 Trust, is the Trust which represents the 11 original owners of the 1 acre block of land that the Ngawha Waikaukau sits on
- The Trust is also the body that took a Te Tiriti o Waitangi claim to the Waitangi Tribunal for the return of the four acres originally owned by 34 Tupuna
- My father was one of the Ngapuhi kaikorero for this claim and I now sit on Parahirahi C1 Trust
- This case was head back in 1992/93 with the report released in 1993
- An extract from the Tribunal report outlining what the Claim is about:

This claim concerns the ownership of and the right to control Ngawha geothermal resource. It covers the hot springs at Ngawha and the whole of the underlying geothermal resource in the Ngawha geothermal field. The field is extensive, covering 25 to 50 square kilometres. Most of the land overlying the resource is now owned by the Crown or non-Maori owners, The claim is for the Ngawha geothermal field in its entirety. The field is located some six kilometres east of Kaikohe. The resource has the potential to generate a significant amount of electricity. Such a development is strongly opposed by the claimants.

- As above Top Energy has applied for a resource consent to double their power output capacity
- Again this Trust strongly opposes this application and in the environmental court on 13 August put its objection to the process
- Parahirahi C1 argued that with the expansion being so close to the Springs themselves, this would have a detrimental effect on the pools directly
- The Trust also provided professional scientific evidence, which is now causing some distress for commissioners hearing this case
- On 11 August I wrote a letter of support for that trust to assist in their objection to this expansion – *outlining the Runanga support for our local Hapu*
- Lets not mince words here, the Trust does not object to commercial progress per se, what the Trust objects to is the detrimental effect this will have on the Waikaukau and our future generations – *Anaru has sent that letter to you all*

Koroneihana 2015

- In the last five years it has become an annual excursion for our Kaumatua and Kuia ropu to travel to Ngaruawahia to join with iwi across the Motu and Waikato/Tainui in celebrating the Coronation of Tuheitia Paki as Kingi Maori o nga iwi o te puku o te ika
- For those who attend on behalf of Ngapuhi – it has been a tremendous experience with numbers of Ngapuhi attending swelling every year
- On 20 of August a contingent of about 45 travelled down with this ope to join in the celebrations
- This ensures that our Kaumatua Kuia are exposed to National occasions and have a first hand view of how Ngapuhi fits into the National politic of this country
- Ngapuhi are well thought of with Waikato Tainui acknowledging the Ngapuhi whakapapa within the Kingi household
- On Kingi Tuheitia's father's side, they are from Te Aupouri and whakapapa from within those ranks
- This makes them Ngapuhi and we make a special effort to remind those speakers of that fact
- Other than that our Kaumatua and Kuia have enjoyed there trip and became part of the Political debate on Turangawaewae marae
- The discussions turned to the Ngapuhi Te Tiriti o Waitangi Tribunal report put out after the first hearings of Te Paparahi o te Raki regarding our Tupuna not surrendering their Mana Motuhake when signing Te Tiriti o Waitangi in 1840
- This has instigated a call from iwi across the Motu to assemble and start to put together a Maori equivalent of the present Government structure that can work along with the Crown in a shared capacity as Government of this land
- This is not a new idea but iwi across the Motu feel that with this new finding by the Waitangi Tribunal – there is room to start having these debates
- Our Kaumatua Kuia are very grateful for this experience and all have their own stories to tell

Meeting with AFFCO

- We should all be aware that AFCO NZ is again holding our people to ransom over their working conditions
- In 2012 a small contingent of iwi Chairs met with Talley's owners and brokered a deal that saw their workers back to work after some six weeks of strike action after being locked out of their workplaces
- AFFCO virtually want the workers to turn away from their organised labour, Union, and sign individual employment agreements that give them no protection whatsoever from exploitation and erosion of their working conditions
- This situation has again developed where AFFCO will not sit down with them and work through the issues
- Hence the iwi chairs again being asked to assist through this tight spot

- To that end, on Saturday 8 August a contingent iwi Chairs met with AFFCO Managers and Union Shed Officials
- The upshot of that hui was that AFFCO refused to bargain with the Unions and just said to their workers, you either sign IEA's or we have no work for you
- Many of the workers as we know have mortgages and other payments just to stay alive. No different from each of us I guess
- The workers agreed that if the iwi Chairs can assist they will be very appreciative of that outcome
- On Wednesday 12 August we again met as iwi Chairs with the Union organiser Mike Nahu
- The outcome of that meeting was that we offered to meet with Talley's through their owner operator Andrew Talley, and offered to work through a new agreement that would span their whole operation across their eight plants
- As I write this report we have not yet heard back from AFFCO on their appetite to pick up our korero
- I believe the time is coming where our people would have had enough and call strike action to bring this employer back into line
- We must be prepared to back our whanau in this crisis
- All AFFCO plants are being supported by their respective iwi and local communities to withstand this assault on their working conditions

Recommendation: *I recommend that if there is to be strike action on AFFCO plants – that Te Runanga-a-iwi o Ngapuhi contribute \$3000.00 to the local AFFCO Moerewa strike fund.*

Te Hauora o Ngapuhi

- On 31 July 2013 attended the launching of Te Hauora o Ngapuhi at Marino Court
- I want to officially welcome Te Hauora o Ngapuhi on Board as part of our Ngapuhi business suite and look forward to a long and beneficial relationship for our iwi puta noa
- It has been a mammoth task to get this Company up and running and under the umbrella of Te Runanga-a-iwi o Ngapuhi
- This signals the dawning of a new challenge for Hauora across Ngapuhi
- For many years we have been playing second fiddle to Te Hauora o Ngati Hine with contracts naturally flowing to them as they had the ear of many Ministers within Government
- This has now changed and Te Ropu Poa, CEO of Te Hauora o Ngapuhi, is now opening new doors that will ultimately lead to more Hauora contracts
- We will rely on Te Rau Allen and Ngawai Tuson as our two Board members on that board to keep us updated

National iwi Chairs Forum

- The quarterly meeting of the iwi Chairs was hosted by Waikato/Tainui at Hopuhopu
- It was two days of solid graft
- The same issues that we are pushing are always on the Agenda and moving forward at a good pace
- Many of our people would have attended, and are involved in the freshwater issue
- The latest hui on Freshwater and Te Ture Whenua in Ngapuhi was held at Poroti on the 3 August
- Our people need to get a real grasp of the issues before making uninformed decisions
- In the case of Poroti springs and the commercial company beginning the extraction of water from there
- I have offered twice in the past to help address this situation, even to the point of asking Te Waimaori Trust to do a series of hydrology for them but they have not taken that up
- I understand that Trucks are now hauling water from there and transporting to Auckland
- I think our people need to attend hui and really understand what changes the iwi Chairs are pushing for so we can all work together
- On the matter of Whanau Ora – we are pushing that along well with iwi now demanding that other Ministerial port-folios contribute to advancing Whanau Ora
- Whanau Ora is more than just health and Social Services as it includes Education, Housing, economic development and many other areas of business

Festival 2016

- Organisers met on 28 July to progress the design and arrangements for our upcoming Festival 2016
- As you are all aware the Ngapuhi Festivals funded and organised by Te Runanga-a-iwi o Ngapuhi are held every two years, the last being 2014
- Good progress is being made with the committee now closing in on a final design and collating budgets so these may be finalised
- Also being held the same week is the Ngapuhi Arts Exhibition which has been run primarily by Colleen Urlich and her artists – *Allen of course has the strategic oversight of the whole festival and being an artist in his own right puts that exhibition in a good space*
- Huria Anders are our communications experts who have the task of raising sponsorship for the Festival
- I missed the last meeting of Festival 2016 organising group held on 18 August and will catch up with reporting at the next meeting.
- Looking forward to getting this kaupapa on the road

Review of Trustee Fees

- As promised at our last Board meeting I commissioned Huria Anders to undertake a review of Trustees fees/honorarium
- The last review was 2012 and was a very modest increase
- You will see by the review results that Trustees of Te Runanga-a-iwi o Ngapuhi are well under paid relative to organisations of a like size
- This review was not done by the Appointments and Remunerations committee but by an independent professional assessor as that would be a conflict of interest with the committee
- I am very comfortable with the outcome and I signalled that with seven out of nine Takiwa chairs present at the hui
- I spoke about moving from a meeting based fee to an honorarium type fee paid automatically by electronic means quarterly – *this saves much time and frees our secretary up to do other things*
- Committee meetings and other hui will be paid as per usual
- Trustee would need to agree to this type and frequency of payment before it can be implemented

Recommendation: *I recommend that the findings outlined in the paper to the Board from Huria Anders Re: Trustees fee/honorarium be adopted, that these fees be accepted and backdated to 1 July 2015. That payments be made automatically to Trustees bank accounts on a quarterly basis.*

Board Budget/Business Plan Meeting

- Thanks to all Trustees who attended that meeting on Saturday 20 June
- We had eight out of you nine Trustees who attended with seven out of nine Takiwa Chairs also in attendance
- The deficit budget that was Oked will be a real challenge for us going forward, especially the operations team
- I believe we have taken on a huge workload in terms of living within the means of this set Budget
- Setting aside an allowance of 400K for TIMA is indeed a generous consideration that needs to be cleared by NAHC before we sign the loan agreement
- I will report the deficit to NAHC to enable them to know that we have set that budget so if we are called upon to draw down on our savings, this will not be a surprise to them
- NAHC would need to be confident that we have the wriggle room to accommodate this allowance in the budget
- The passing of operations business plan also needs your attention and feedback before this hui
- If there is no feedback the Business Plan is deemed to be operational

- I do now understand there was no feedback from Trustees so the current years business plan and budget is in operation

Te Kahu o Taonui

- On 9 June Te Kahu o Taonui met to discuss the business pertaining to Ngapuhi-nui-tonu
- Our appointment to Te Kawai Taumata is Carol Dodd as Ngapuhi has an appointment of its own
- The rest of the Northern iwi have one for themselves as well
- They have nominated Kevin Robinson as their representative
- Te Kawai Taumata is the electoral college who appoints the directors to Te Ohu Kaimoana
- Although they will be dissolved in the newly agreed TOKM Structure, they still have a task to perform
- That task is appointing new directors to Te Ohu Kaimoana
- We also have a presentation from Inspector Huri Denis on the Northland Crime prevention strategy
- It is the intension of Te Kahu o Taonui to pick up this strategy to assist our whanau who find themselves in difficulty with the Law
- DIA, led by Hugh Karena, also visited with us and spoke of the project currently underway to shift Te Whakaputanga and Te Tiriti o Waitangi from the National Library to its own premises
- They will be working alongside Ngapuhi and all northern iwi
- Haami Piripi and I will be heading this project from our perspective with us choosing Kaumatua and Kuia to be involved in this
- We will take this to the next iwi Chairs hui in Tainui this August for full iwi support
- The matter of the Aquaculture Settlement for the North, all iwi are prepared to sign off except Ngati Kahu, who is holding the rest up

Review of Te Ohu Kaimoana and Subsidiaries

- The resolutions are as follows:

SGM RESOLUTIONS (POST-22 MAY HUI)

Res olut ion	Wording	Proposed	Seconded
Review Resolutions			
<i>1</i>	<i>That Te Ohu Kai Moana Trust/Te Ohu Kai Moana Trustee Limited¹ be wound up and its assets be transferred to iwi</i>	<i>Ngāti Porou</i>	<i>Ngāti Awa</i>

¹ This has been clarified to include both the Te Ohu Kai Moana Trust and Te Ohu Kai Moana Trustee Limited to ensure it captures all assets held. The assets are owned by Te Ohu Kai

2	<i>That iwi hold all Aotearoa Fisheries Limited (AFL) voting and income shares</i>	Ngapuhi	Ngāi Tai
3	<i>That Te Ohu Kai Moana Trust/Te Ohu Kai Moana Trustee Limited be significantly restructured and works on priorities agreed by iwi to protect and enhance the settlements including undertaking advocacy and policy advice for iwi</i>	Ngapuhi	Ngāi Tai
4	<i>That an amended funding model for Te Ohu Kai Moana Trust/Te Ohu Kai Moana Trustee Limited's operations be approved by iwi at the 2016 Hui-a-Tau following detailed business modelling and consultation with iwi, such model to consider the role (if any) of Te Ohu Kai Moana Trust's/Te Ohu Kai Moana Trustee Limited's² redeemable preference shares and all other funds held in its own right</i>	Ngapuhi	Ngāi Tai
5	That a shareholders council of AFL shareholders be considered	Ngāti Porou	Te Atiawa (Wellington)
6	That special resolutions for major transactions for AFL require at least a 75% majority voting threshold	Ngāti Koata	Ngāti Kuri
7	That AFL continue to work with iwi to develop and implement policies on collaboration	Ngāti Kahungunu	Ngāi Tai
8	That AFL continue to work with Sealord to develop and implement policies on collaboration	Te Aupōuri	Te Atiawa (Wellington)
9	That iwi and AFL address the lack of operational experience on the AFL Board	Ngapuhi	Ngāti Ruanui
10	That Te Pūtea Whakatupu Trustee Limited continue with its directors increased to a maximum of 5 with a quorum of a majority of directors	Ngāti Raukawa (ki te Tonga)	Ngāti Ranginui
11	That Te Wai Māori Trustee Limited continue with its directors increased to a maximum of 5 with a quorum of a majority of directors	Ngāti Raukawa (ki te Tonga)	Ngāi Te Rangi
12	<i>That the disposal restrictions in the Māori Fisheries Act 2004 for settlement quota and income shares remain and that simpler trading processes are</i>	Waikato	Rongowhakaata

Moana Trust but held on its behalf by Te Ohu Kai Moana Trustee Limited (which itself holds no assets in its own right).

² Refer to footnote 1 – these assets are owned by the Te Ohu Kai Moana Trust but held on its behalf by the corporate trustee, Te Ohu Kai Moana Trustee Limited.

	<i>developed for iwi wishing to sell some of their assets to willing buyers within the iwi/Te Ohu Kai Moana Group pool</i>		
13	That the current restrictions on the sale of ACE be increased from 5 to 15 years	Ngapuhi	Ngāti Kahungunu
14	That AFL continue to work with iwi from the Chatham's to address key common issues on the Chatham's and develop mutually beneficial commercial arrangements	Ngāti Mutungaki Wharekauri	Ngāti Toa Rangatira
Audit Resolution			
1	That, pursuant to s.106 of the Māori Fisheries Act 2004, Te Ohu Kai Moana Trustee Limited, Te Pūtea Whakatapu Trustee Limited and Te Wai Māori Trustee Limited not conduct a 4-yearly audit in 2016	Ngāti Porou	Te Aitanga a Mahaki
Entity Plans			
1	That the Te Ohu Kai Moana Trustee Limited and Aotearoa Fisheries Limited Plans are adopted in full where in accordance with the Review recommendations passed		
Non-Binding Resolutions			
1	That, notwithstanding that the "Straw Tangata" model proposed by the IWG is outside the scope of the resolutions that iwi can make in response to the review, that this model is supported by iwi and should be taken to the Minister for Primary Industries for consideration	Rongowhakaata	Ngāti Toa Rangatira
2	<i>That a further review of settlement entities occur no later than 10 years from the date that the amended structural relationships arising from this review are in place to assess their scope, role, funding and governance arrangements including their individual continuance and/or retention of assets</i>	Ngāti Porou	Te Aupōuri
3	That the alienation of assets by Aotearoa Fisheries Limited and/or Sealord be subject to, at the very least, a binding RFR to allow iwi to buy any of their assets if those companies wanted to sell them	Ngāti Maniapoto	Ngāti Raukawa (ki te Tonga)

- On the 4 June 2015 the Special General meeting of TOKM was held and every Asset Holding Company was present.
- All above resolutions were adopted and the re-shuffle of TOKM is underway

- There is a proposed meeting for northern iwi here at the Runanga on 10 September and all Trustees are welcome to attend

Conclusion

Recently most of our time has been consumed working toward our AGM. As you can see from the CEO report that although we set a deficit budget last year, - \$227, 032.00, we come in at the end of year with a surplus of \$221, 809.00. One would need to have an explanation about the Capex and loan facility that we made available to TIMA of \$500,000.00. This I understand has been fully utilised by TIMA and we need to understand how that works so we are conversant with the Runanga accounts. We need a very good understanding of these accounts so we can report accurately to our Takiwa.

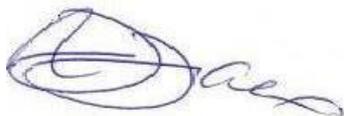
On the 18 August 2015 I updated you all on the Kukupa incident and how that was progressing. At our last Board meeting I also updated you on the costs for the visit to Ngai Tahu on the weekend of the 11&12 July. I stated that there was twenty people who travel to Oraka Apirima Marae to reconcile with Ngai Tahu. I also stated that out of all those people, the Runanga paid for 2 Trustees, 3 K/Kuia and the CEO. The rest were privately funded. It appears that some Trustees are not satisfied with that explanation and are seeking more clarification around that. If you are unsatisfied with that answer, what is it that you really want? Please come out straight and address this issue otherwise it will continue to fester. I am clear with where our people sit on this matter and the new election for a Hapu kaikorero from Ngai Tawake Hapu gives me another opportunity to seek renewal of my mandate at my Hapu level.

Other than that I want to encourage us all to work at our Takiwa level to boost our numbers as I understand that attendance at Takiwa level is dropping away.

Tomorrow sees our training day totally concentrating on our Business and Strategic plans to enable us as Trustees to understand where we are on the continuum over our five years strategy. I have asked operations to run us through those plans and match it up against our budget.

No reira e tatou ma, kanui enei korero maku mo tenei wahanga. Nga mihi tino nui ki wa tatou Kaumatua/Kuia mo o ratou poipoi, tohutohu i tenei poari ki a tutuki te moemoea o Ngapuhi-nui-tonu, ara, *'ki a tu tika ai Te Whare Tapu o Ngapuhi'*

Mauri Ora



Raniera T (Sonny) Tau

CHAIRMAN

Recommendation: *I recommend that if there is to be strike action on AFFCO plants – that Te Runanga-a-iwi o Ngapuhi contribute \$3000.00 to the local AFFCO Moerewa strike fund.*

Recommendation: *I recommend that the findings outlined in the paper to the Board from Huria Anders Re: Trustees fee/honorarium be adopted, that these fees be accepted and backdated to 1 July 2015. That payments be made automatically to Trustees bank accounts on a quarterly basis.*